Leadership in the Media Industry

Changing Contexts, Emerging Challenges

The topic of leadership in the media industry is a compelling one. While other industries have leaders or captains, the media sector has moguls, magnates and barons. Randolph Hearst, William Paley, Henry Luce and Robert Maxwell represent some of the most controversial and flamboyant business leaders of recent times. And the current crop of contemporary media industry leaders – Rupert Murdoch, Ted Turner and Steve Jobs – is no less charismatic.

However leadership is also a sprawling area of management theory characterised by ambiguity and controversy. This volume presents a selection of papers from an international conference on 'Challenges at the Top: Leadership in Media Organizations' which brought together researchers from around the world to confront these ambiguities, and explore and exchange opinions about this intriguing issue. The diversity and richness of the contributions in this book reflect the diversity and richness inherent in the practice of leadership as exercised in the media sector. The topic is still an under-researched field, and this book makes a contribution towards developing new theory, identifying fruitful areas for future study, and aiding understanding of the drivers of performance of media firms.
The topic of leadership in the media industry is a compelling one. While other industries have leaders or captains, the media sector has moguls, magnates and barons. Randolph Hearst, William Paley, Henry Luce and Robert Maxwell represent some of the most controversial and flamboyant business leaders of recent times. And the current crop of contemporary media industry leaders – Rupert Murdoch, Ted Turner and Steve Jobs – is no less charismatic.

However leadership is also a sprawling area of management theory characterised by ambiguity and controversy. This volume presents a selection of papers from an international conference on ‘Challenges at the Top: Leadership in Media Organizations’ which brought together researchers from around the world to confront these ambiguities, and explore and exchange opinions about this intriguing issue. The diversity and richness of the contributions in this book reflect the diversity and richness inherent in the practice of leadership as exercised in the media sector. The topic is still an under-researched field, and this book makes a contribution towards developing new theory, identifying fruitful areas for future study, and aiding understanding of the drivers of performance of media firms.
LUCY KÜNG (ed.)

Leadership in the Media Industry

Changing Contexts, Emerging Challenges

Media Management and Transformation Centre
## Contents

### Preface

*Lucy Küng*

5

### Part I: Changing Contexts

An Exploratory Study of the Impact of Leadership Behavior on Levels of News Convergence and Job Satisfaction

*Angela Powers*

11

Middle Managers’ Identity Work in a Media Context

*Tomas Müllern*

29

Free Dailies: Success the Machiavellian Way?

*Piet Bakker and Ingela Wadbring*

41

Leadership Characteristics in the Graphic Arts and Media Sector

*Anastasios E. Politis*

59

### Part II: Emerging Challenges

The Normative Challenge: Balancing the Long-Term Social Capital Created by News with the Demand for Short-Term Profit

*Lee Wilkins*

77

Leaders as Builders of Great Teams

*Alfonso Sánchez-Tabernero*

93

The Magician and the iPod: Steve Jobs as Industry Hero

*Robert Alan Brookey*

107

Credentials, Strategy and Style: The Relationship between Leadership Characteristics and Strategic Direction in Media Companies

*Dan Shaver and Mary Alice Shaver*

123

Interactivity and Leadership Effectiveness: A Concept Review and Analysis of Email as an Interactive Leadership Tool

*Paul Murschetz*

137
Part III: Applying Leadership Theories to Media Leaders  

Introduction  
Aldo van Weezel  

Do Traits Matter? - Applying the Leadership Trait Approach to Rupert Murdoch  
Min Hang  

A Behavioural Approach to Leadership: The case of Michael Eisner and Disney  
Aldo van Weezel  

Robert Maxwell – A study of power in media leadership  
Anders Bjurstedt  

Transformational leadership in practice? – The case of Steve Jobs and Pixar animation Studios  
Patrik Wikström  

The staging of ‘Captain Outrageous versus the Australian Scumbag’ - An analysis of Media Mogul Ted Turner and his feud with Rupert Murdoch  
Maria Norbäck  

Contributors
Preface

Lucy Küng

This volume presents a selection of papers from an international conference on ‘Challenges at the Top: Leadership in Media Organizations’ which was hosted by the Media Management and Transformation Centre at the Jönköping International Business School from 30 September to 1 October 2005.

The topic of leadership in the media industry is a compelling one. While other industries have leaders or perhaps captains, the media sector has moguls, magnates and barons. Randolph Hearst, William Paley, Henry Luce and the First Viscount Rothermere, and Robert Maxwell represent some of the most controversial and charismatic figures in business history. The personalities and activities of the current crop of contemporary media industry leaders –Rupert Murdoch, Ted Turner, and Steve Jobs, for example – are no less fascinating.

The conference could therefore be expected to generate some stimulating contributions. This was indeed the case, with a very broad range of papers by scholars from a variety of disciplines and geographic regions being presented. Less predictable perhaps was the challenges it exposed in terms of researching the issue of leadership in the media field.

From a scientific standpoint, leadership is a sprawling but inchoate area of theory characterised by ambiguity, theoretical and methodological controversy, and a dearth of commonly-agreed constructs or definitions. Despite decades of research, fundamental questions remain concerning what leadership is and where it occurs. Different researchers representing different theoretical schools define leadership in very different ways. In this volume we explore leadership as practiced by CEO’s such as Stenbeck at Metro or Jobs at Apple, by board directors of media firms, by those representing the European graphic arts sector, by managers in US newspaper or television newsrooms, and by middle managers in Swedish media firms. Thus it would appear that leadership can be found at every level and both inside and outside of organisations.

Similar variety can be found in the theoretical models and tools used to investigate and analyse leadership in the media sector. This is evidenced by the wide variety of conceptual approaches displayed in this book which include, amongst others, a leadership-behaviour questionnaire, analysis of newspaper discourse, the Boston Consulting Group’s growth/market share matrix, and institutional analysis.

Empirical research is also problematic. Those at the very top of media organisations are a difficult population to gain primary access to - partly because they are extremely busy and move around a lot, but also because they tend to be sensitive about outcomes and have the ability to block unfavourable
analyses, as evidenced by attempts by Murdoch, Maxwell and Jobs to block publication of biographies. Secondary data sources are plentiful but not always ideal. Much stems from journalistic sources, and as a past, current or potential employee of a media organisation, the journalist is not, or cannot always be, objective. Further, the leader of the media firm often has an unusual ability to influence what is published. Plus journalists are writing for other audiences than research scientists. Perhaps as a result, in this volume, when analysis is focused on leaders at CEO level we see extensive use of secondary sources. Researchers focusing on leaders at mid-levels rely far more on primary data, often generated by questionnaire or survey instruments.

This book falls into three parts. The first, ‘Changing Contexts’ explores the changes that are taking place in the media landscape and their implications for leaders. Angela Powers identifies how news managers are bringing competitors together in converging broadcast and print newsrooms and implementing fundamental changes in the structure of news. Tomas Müllern describes how middle managers in media companies find themselves in a situation of continuous and pervasive change, with strong consequences for how they view themselves in front of others. Piet Bakker and Ingela Wadbring investigate how entrepreneurial leadership changes when normal circumstances shift to conflict situations in the highly dynamic free newspaper sector. Anastasios E. Politis examines leadership at international level in the fast-globalising graphic arts and media sector.

The second section of this volume, ‘Emerging Challenges’ focuses on the challenges the current media environment poses for those tasked with leadership. Lee Wilkins argues that media conglomerates must confront and master the normative challenge posed by the need to balance the long-term social capital created by news with the demand for short-term profit. Alfonso Sánchez-Tabernero views the establishment of high calibre leadership teams as a means to allow media firms to reconcile the conflicting demands of audiences, advertisers, owners, employees and regulators, achieve long-term success and serve the public. Robert Alan Brookey analyses newspaper coverage of Steve Jobs and discusses how this presents him as an archetypal hero who has overcome the challenges posed by digital technology. Dan and Mary Alice Shaver explore how the experience and background of CEOs of media firms affects the strategic choices those individuals make. Paul Murschetz explains how executive managers perceive and use interactive email communication to improve their performance.

The third section, ‘Applying Leadership Theories to Media Leaders’ presents a series of papers that developed out of a PhD seminar held at Jönköping in 2005. This sought to build a bridge between management theory and practice in the media industry, by exploring theoretical approaches to leadership and their application to the media sector. Details of the papers in this part can be found in Aldo van Weezel’s dedicated introduction to this concluding section of the book.
Preface

The diversity and richness of the contributions in this book certainly reflect the diversity and richness inherent in the practice of leadership as exercised in the media sector. The topic is still an under-researched field, and it is hoped that this volume makes a contribution towards developing new theory, identifying fruitful areas for future study, and aiding understanding of the drivers of performance of media firms.

To close, as the editor of this book I would like to thank all the chapter authors for the stimulating email conversations that took place during the editing process. I am sure that all those who attended the conference and contributed to this volume would like to join me in thanking Robert Picard for hosting the conference, Barbara Eklöf, for her superb administrative support, and Susanne Hansson for organising such speedy publication.
Part I
Changing Contexts
An Exploratory Study of the Impact of Leadership Behavior on Levels of News Convergence and Job Satisfaction

Angela Powers

Abstract

Competing broadcast and print newsrooms are joining forces to produce news in a converged media environment. Little research exists on the leadership behaviors necessary to bring competitors together and to implement successfully fundamental changes in the structure of news. The Leader-Behavior-Description-Questionnaire was used to identify how news managers are overcoming barriers to convergence when dealing with personnel. Findings indicate that leadership behaviors relate to job satisfaction and to greater levels of convergence activities. Also, the perceptions of quality and benefits of convergence activities differed between print and broadcast journalists.

Convergence and Job Satisfaction

According to McLuhan (1995), one of the most common causes of human systems breakdowns in companies is the melding of one organization with another, a view that is presented in both trade and research publications (Finberg, 2002; Hickey, 2000; Buono, 1989; and Schmidt, 2001). Print and broadcast newsrooms are in the process of melding - joining forces to meet audience needs, cross-promote, and provide a range of services across platforms. Gordon (2002) states this media convergence results in structural changes related to costs and revenues, job descriptions, organizational charts, and the process of information-gathering. Journalists are expected to write and produce news for various media including print, broadcast, and the Internet.

Often, the idea of convergence clashes with newsroom values. Print and broadcast journalists traditionally view each other skeptically: newspaper journalists extol the virtues of depth and experience while broadcast journalists claim theirs as the more relevant medium (Dailey, Demo & Spillman, 2005). Furthermore, what makes good print news, makes poor television and vice versa. Effective leadership is more important than ever in resolving conflicts and finding common ground for implementing change.

Leadership has often been associated with job satisfaction and productivity (Richmond, McCroskey, & Davis, 1986; Rue & Byars, 1986; Roberts & Dickson, 1984). Furthermore, leadership has been found to account for more variance in performance measures than many other environmental or
organizational factors (Smith, Carson & Alexander, 1984). Yet, while a number of studies look at management issues in media organizations, (Polansky & Hughes, 1986; Frame, Nielsen & Pate, 1989; Louis, 1997), little empirical research is evident on leadership and its role in the changing news landscape. The purpose of this research is to identify news managers’ leadership behaviors and to address the relationship between leadership style, job satisfaction, levels of convergence, and perceptions of news quality and sharing in converged news operations.

Literature Review

Leadership

Leadership can be defined as communication which positively influences the group to move toward group goals (Catt & Miller, 1985). Leadership is different from management because it relies on a social influence process rather than legitimate power to influence people (Griffin & Moorhead, 1986). However, managers may also be leaders: those able to influence moods, develop fresh approaches and create excitement at work (Giles, 1987). Few people believe there is one best way to lead all organizations or situations. Instead, numerous situational variables affect the leadership process including technology, environments, size, purposes and goals, and value systems (Griffin & Moorhead, 1986).

According to path-goal theory, leadership can be explained in terms of the interaction between the leader and the many variables in the work environment. Effective leaders possess diagnostic skills for reacting to differing situations. They are able to adapt to situations in order to enhance the psychological state of subordinates which increases motivation, job satisfaction and the attainment of group goals. Leaders complement the work environment of their subordinates by providing the necessary coaching, guiding, and rewards for effective performance (House & Dessler, 1974).

Successful leaders understand not only themselves but other people in the organization and are able to act in line with these insights (Tannenbaum & Schmidt, 1973). Path-goal theory differentiates among types of leaders’ behavior, varying in degrees of relationship and task behaviors:

Relationship-oriented — where the manager is concerned with friendship, mutual trust, respect, and the quality of human relations between him/herself and subordinates;

Task-oriented — where the manager tends to organize and define the relationship between him or herself and the group, and concentrates on getting the job done, scheduling and criticizing etc. as necessary (Rue & Byars, 1986:393).

The theory also identifies situational variables that moderate the effect of leader behavior on subordinates’ satisfaction and productivity. These include
personal and environmental characteristics (see, for example, House & Dessler, 1974: 31-32).

Personal characteristics include age and work experience. Most journalists in the U.S hold a bachelor’s degree and their average age is 41 (Weaver, Beam, Brownlee, Voakes & Wilhoit, 2003). With both age and educational variables, path-goal theory assumes that as levels increase, so too does the relationship leadership behavior of managers (Hersey & Blanchard, 1972). Subordinates with higher levels of experience are more satisfied with leaders who are more relationship-oriented.

Environmental characteristics include the task structure, staff size, salary structure and market size. When tasks are straightforward, relationship behavior is often more effective: too much emphasis on the task might be viewed as interference. However, in a crisis situation, task-oriented behavior might be more effective so that employees are quickly able to identify their roles. Task-oriented leadership is also effective for people engaged in manufacturing and production where managers have pressures to produce (Schreisheim & Schreisheim, 1980).

Newsroom Culture

Leaders not only influence subordinates but the overall culture of newsrooms as well. In one of the first looks at newsroom environments, Breed (1960: 184) found there was no one factor which created “conformity-mindedness”, however, in one particular newsroom, when new reporters started work, they were rarely told about policy, rather, they anticipated what was expected so as to win rewards and avoid punishments. Other motivators included institutional authority and sanctions, feelings of obligation and esteem for superiors, mobility aspirations, absence of conflicting group allegiance, and the pleasant nature of the activity.

Another study by Argyris (1974) indicated “downward” communication at a top newspaper organization was a source of conflict and inefficiency. He suggested that the factors supporting ineffectiveness in problem-solving, decision-making, and implementation at this organization tended to be greater than the factors supporting effectiveness. It was difficult for participants to provide valid information needed for solving important problems.

Green (1999) also found that the effectiveness of Australian newsrooms was limited by a top-down organizational structure. The newsrooms were characterized by their hierarchical structure where the editor provided a vision for the paper and transmitted it through a range of levels. In an even more specific study of a top-down approach, Gade and Perry (2003) conducted a case study on changing newsroom culture. They were interested in one newspaper’s efforts to restructure from a beat system to a team system and embrace public journalism. The initiative, based solely on the news editor’s vision, failed. The team-based approach was perceived by the newspaper journalists as a threat to journalistic autonomy.
Gentry (1997) identified variables that were essential to successful change in newspapers. These included pre-change analysis to determine the extent and the type of changes needed, and employee participation in the drafting of initiatives. In addition mission statements, flexible strategies, communication explaining the need to change, a vision of the future, and new expectations may serve to make a transition smoother.

**Job Satisfaction**
Employee satisfaction is also central to the relationship between news managers and subordinates. Studies indicate that the opportunity to participate in decision-making impacts the degree to which employees are satisfied (Richmond, McCroskey & Davis, 1986). According to path-goal theory, leaders can expect higher levels of job satisfaction by recognizing subordinates' needs, increasing personal payoffs to subordinates for work goal attainment, making the path to these payoffs easier by coaching and direction, helping subordinates clarify expectations, reducing frustrating barriers, and increasing the opportunities for personal satisfaction contingent on effective performance (House & Dessler, 1974).

Weaver & Wilhoit (1986) measured job satisfaction of journalists in the U.S. and found that the frequency of comments by newsroom supervisors impacted positively job satisfaction. Another important contributor to job satisfaction according to Barrett (1984) was the possibility for growth on the job. She suggested this is particularly important for high job satisfaction among women journalists.

Joseph (1983) surveyed television reporters and general managers and found work dissatisfaction existed because management made most of the decisions without consultation. Conversely, in television newsrooms, job satisfaction increased when journalists were involved in decision-making. Most TV reporters wanted to be consulted by management on work-related decisions.

Powers (1991) looked at differences in leadership behaviors in small and large television markets and found that in both markets relationship behavior and job satisfaction were related to how well subordinates agreed with news directors on the priority of departmental goals. Further, as relationship-oriented behavior increased, news staff members were more successful in attaining departmental goals. In a later study, Powers and Lacy (1992) adapted the path-goal model to newsroom situations by including market factors and perceptions of goal success. They found that effective leadership behavior in newsrooms was mediated by the environment, the subordinates and the personality of the manager.

**Converged Environment**
According to Killebrew (2005), convergence provides the news industry with its greatest challenge in more than a century. Finberg (2002) believes that
convergence involves a melding of newsroom cultures and that cultural conflicts that result might be resolved by identifying those individuals who adapt most easily to new strategies and organizational structures and involving them in new projects. More than sixty cities in the U.S. already have at least two news organizations working together in a partial or full convergence environment. These partnerships, according to Killebrew, need to be viewed as valuable and desirable. Furthermore, those willing to make these partnerships work must be provided adequate rewards.

Singer (2004) found that while many journalists were not overly-enthusiastic about convergence, most saw a number of advantages: one was the ability to work in more than one medium, another the ability to sharpen skills. Writing print stories for broadcast journalists was seen as a security blanket, something the broadcasters, especially women could do once they were older. Journalists also perceived that convergence expanded resources, better-served customers, and told a story in multiple platforms, thereby reaching multiple audiences.

Daily, Demo & Spillman (2003) suggested a convergence continuum to define various levels of cooperation of companies in the U.S. They identified the levels of cross-promotion, cloning, cooperation/competition, content sharing, and full convergence. Thus far, partners rarely practice full convergence where they cooperate in both gathering and disseminating news and use the strength of the different media to tell the story in the best way.

Four levels of convergence were identified by de Aquino, Bierhoff, Orchard, & Stone (2002). Level 4 consisted of passive integration, some cross promotion but little convergence strategy. At Level 3, management was more involved with integration process, multimedia presentations were planned in advance (for example for the Pope’s funeral, the war in Iraq, the Olympics and the World Cup), and members of one staff attempted to join another staff to improve communication. At Level 2, a written multimedia strategy existed, advanced technology enabled multimedia storytelling, communication and distribution, a multimedia director was at the managerial level orchestrating integration, and physical integration of multiple media staffs had taken place. Level 1 consisted of smooth multimedia operations: a multimedia director was in charge of implementation, there was full commitment to ongoing technology training, all stories were planned for multimedia, news decisions flowed from a multimedia perspective, there were no distinctions among journalists, and there was free flow from one platform to another.

News organizations are expected to move toward full convergence, so managers must determine how best to motivate and implement change, and understand the factors involved in reaching convergence-related goals. According to Ketterer, Smethers & Bressers (2005), if media companies are to achieving a broader audience and providing better, more in-depth coverage of local news through convergence, their existing newsroom cultures and internal communication practices must change. The World Association of Newspapers
suggests that a top-down management approach is the most solid start for any multimedia reorganization wanting to achieve convergence - which is in direct conflict with path-goal theory. It further advocates, however, that a strategic or operational overhaul can be achieved successfully if managers embrace and promote change.

**Research Questions and Hypotheses**

In an effort to evaluate ability to motivate change, the path-goal framework was used to identify news staff members’ job satisfaction and motivation to reach group goals relating to convergence. The dependent variables for this study are job satisfaction and levels of convergence. The independent variables are task and relationship leader behavior with medium and market size used as control variables. The following research questions were posed:

RQ1: What management activities are most common in print and broadcast newsrooms practicing convergence?
RQ2: What are the leadership styles of managers of converged newsrooms?
RQ3: How satisfied are personnel in converged newsrooms?
RQ4: Does level of convergence impact perceptions of quality and sharing in newsrooms?

These questions were based on the following hypotheses:

H1: As relationship behavior of news managers increases, job satisfaction of converged news staff members increases.
H2: As relationship behavior increases, level of convergence increases.

**Method**

Three hundred journalists were surveyed about the leadership styles of their managers, their level of job satisfaction, and the level of convergence in their newsrooms, as well as their perceptions of news quality and levels of sharing resources. The survey was conducted in the fall of 2004. Only journalists from markets containing a newspaper and a television station practicing convergence with each other were chosen for analysis. News organizations were chosen from the convergence tracker, (www.mediacenter.org/convergencetracker), which listed 107 convergence partnerships in 33 different states at the time. Once markets and newsrooms had been randomly selected, names of journalists including reporters, producers and editors were obtained from the websites of the news organizations. About eight individuals from each newsroom were chosen to be included in the survey. Two mailings were conducted with one follow-up telephone contact. Prior to the mail survey, several pretests were conducted in markets outside of the sample.

The instrument used to collect data on leadership behavior for news managers was the Leader Behavior Description Questionnaire, Form XII (LBDQ-XII). This is a multiple-choice instrument that allows subordinates to
An Exploratory Study of the Impact of Leadership Behavior

decide whether their supervisors (1) never, (2) seldom, (3) about as often as not, (4) very often, or (5) always act as described by the item listed in the questionnaire. The instrument consists of twenty items. Ten describe behavior consistent with task-oriented behavior. Ten describe behavior consistent with relationship-oriented behavior. Overall leadership style was determined by summing items on each scale. The scale with the higher sum was indicative of the subordinates’ perceptions of their supervisors’ dominant leadership style. In addition, individual items of the scale were analyzed for differences among print and broadcast and large and small market organizations. A survey of instruments developed since the 1950’s indicates the LBDQ-XII to be one of the few that measures observed leadership behavior rather than the leader’s perception of behavior. According to Bass, the LBDQ-XII maintains high internal consistency. Results range from about .7 to .8, indicating that task and relationship items do not correlate (Bass, 1981).

Job Satisfaction was operationally defined using a Likert scale asking respondents what was their overall level of job satisfaction. Responses included (1) very dissatisfied, (2) somewhat dissatisfied, (3) don’t know, (4) fairly satisfied, and (5) very satisfied. The job satisfaction measure was similar to that used in studies by Powers in 1991 and Weaver & Wilhoit in 1986. News quality and level of resource sharing were also operationally defined using a Likert scale, with (1) indicating a low score and (5) indicating a high score.

The level of convergence was operationalized with 24 multiple-choice questions that allowed journalists to decide how often convergence activities took place in their newsroom on a 1-5 point Likert scale with (1) being never and (5) being always. The 24 items were derived from previous case studies, as well as studies conducted by Dailey, et al (2003) and de Aquino et al (2002). The level of convergence was determined by summing items. Those with the highest scores were operating at the highest levels of convergence. In addition, mean scores for each item were obtained to identify which items were occurring most in the newsrooms.

Moderating variables for leadership included environmental and personal characteristics. Market size was used as an environmental characteristic. Major markets were defined as Designated Market Areas (DMA’s) 1-30. Smaller markets were defined as DMA’s 65-140. Personal characteristics were operationalized as years on the job, years in news, education level, and salary.

Results

Of the 300 journalists surveyed, 89 responded, representing a 29.7 percent response rate. This response rate, while lower than desirable, is consistent with other published mass communication research. Forty-four percent were from newspapers, and 56 percent were from television stations. The sample included journalists from 15 major market and 22 smaller market newspapers; and 23 major market and 27 smaller market television stations.
The first research question addressed which convergence activities were occurring most often in newsrooms. With 120 possible points, summed scores ranged from 23-95, with 95 representing a newsroom operating at the highest level of convergence. Dividing this range into four, eleven cases were in the 23-45 range, 26 cases were in the 46-61 range, 23 cases were in the 62-70 range and 29 cases were in the 71 to 95 range. Based on mean scores, Table 1 lists the four levels of convergence. Level Four indicates the lowest level of convergence activities, the activities occurring in most of the newsrooms sampled, and included e-mail/phone/intranet communication, management support, and cross promotion. Level One indicates the highest level of convergence activities and included the least occurring variables such as monetary bonuses and convergence training. Mean scores are also provided. The higher the mean scores, the more often the convergence activity occurred in newsrooms sampled.

Table 1: Levels of Convergence

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Convergence Variable</th>
<th>Mean Score (1-5pt. scale)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How often activity occurred</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level 4:</td>
<td>E-mail, intranets, phone communication</td>
<td>3.9</td>
</tr>
<tr>
<td>n=11</td>
<td>Management supports convergence</td>
<td>3.8</td>
</tr>
<tr>
<td></td>
<td>News Products are cross-promoted</td>
<td>3.4</td>
</tr>
<tr>
<td>Level 3:</td>
<td>Visuals, audio, etc. shared</td>
<td>3.1</td>
</tr>
<tr>
<td>n=26</td>
<td>Operations run smoothly</td>
<td>3.0</td>
</tr>
<tr>
<td></td>
<td>Multimedia planned in advance</td>
<td>3.0</td>
</tr>
<tr>
<td></td>
<td>Employees support convergence</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td>Stories planned for multimedia</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td>Technology specialists in newsroom</td>
<td>2.8</td>
</tr>
<tr>
<td></td>
<td>Management provides adequate funds</td>
<td>2.8</td>
</tr>
<tr>
<td>Level 2:</td>
<td>Multimedia director part of management</td>
<td>2.7</td>
</tr>
<tr>
<td>n=23</td>
<td>Multimedia in job descriptions</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>Partners work in the same building</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>Members join each other’s staff</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>Adequate funds provided for convergence</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>Journalists produce multimedia</td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>Convergence research conducted</td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>News decisions flow from multimedia perspective</td>
<td>2.5</td>
</tr>
<tr>
<td>Level 1:</td>
<td>Print and broadcast reporters collaborate</td>
<td>2.4</td>
</tr>
<tr>
<td>n=29</td>
<td>Software transfers multimedia</td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td>Employees receive convergence training</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>Unions facilitate convergence</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>Monetary bonuses provided</td>
<td>1.4</td>
</tr>
<tr>
<td>N=89</td>
<td></td>
<td>18</td>
</tr>
</tbody>
</table>
The second research question addressed the leadership styles of the news managers. Confirmatory factor analysis with a forced 2-factor solution was conducted to confirm simply previous research that indicates items sort on the correct factor. Indeed, eighteen of the twenty items sorted on the correct factor. The coefficient alpha was .90.

No leadership differences were found between small- and large-market converged newsrooms. However, marginally significant differences were identified between print and television. Results indicate that managers at newspapers were more often relationship-oriented (see bottom of Table 2): 76.9 percent of the newspaper managers were relationship-oriented, while 59.2 percent of the television news managers were relationship-oriented. Task-oriented behavior was seen in 23.1 percent of the newspaper managers and 40.8 percent of the television news managers.

The mean scores of the leadership individual indices indicate a few significant differences occurred between newspapers and television. T-tests indicated that more often newspaper managers let their staff members know what is expected of them. Newspaper managers more often encouraged uniform procedures; while television news managers more often refused to explain their actions (see Table 2).

RQ3 addressed level of job satisfaction in converged newsrooms. Overall, Table 3 indicates journalists in both TV and print newsrooms had high levels of job satisfaction. This held true when looking at levels of job satisfaction in larger and small markets. No significant differences were found. However, more television journalists were very dissatisfied (12.2 percent) than newspaper journalists (2.6 percent).

RQ4 addressed whether the level of convergence impacted quality and sharing in newsrooms. Regression analysis indicated that level of convergence activities in newsrooms predicts levels of perceptions of news quality (beta=.59, p<.000). Most respondents indicated that convergence very often or on average improved quality. Table 4 indicates the percentages of responses. No significant differences were found between markets or media. However, it was interesting to note that when asked about how often convergence improves quality, 46.1 percent of newspaper journalists and only 26.5 percent of television journalists responded very often.
Table 2: Leadership Behaviors of News Managers in Converged Print and Television Operations

<table>
<thead>
<tr>
<th>Leader Behavior</th>
<th>Newspaper</th>
<th>Television</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is friendly and approachable.</td>
<td>3.9</td>
<td>3.8</td>
<td>3.9</td>
</tr>
<tr>
<td>Is willing to make changes.</td>
<td>3.9</td>
<td>3.6</td>
<td>3.7</td>
</tr>
<tr>
<td>Lets staff know what is expected.*</td>
<td>3.8</td>
<td>3.5</td>
<td>3.7</td>
</tr>
<tr>
<td>Tries out ideas with staff.</td>
<td>3.7</td>
<td>3.4</td>
<td>3.6</td>
</tr>
<tr>
<td>Puts staff suggestions into operation.</td>
<td>3.4</td>
<td>3.6</td>
<td></td>
</tr>
<tr>
<td>Makes sure he/she is understood.</td>
<td>3.6</td>
<td>3.4</td>
<td>3.5</td>
</tr>
<tr>
<td>Looks out for personal welfare of staff.</td>
<td>3.6</td>
<td>3.5</td>
<td>3.5</td>
</tr>
<tr>
<td>Treats staff equally.</td>
<td>3.6</td>
<td>3.2</td>
<td>3.4</td>
</tr>
<tr>
<td>Makes it pleasant to be member of newsroom.</td>
<td>3.3</td>
<td>3.4</td>
<td>3.3</td>
</tr>
<tr>
<td>Gives advance notice of changes.</td>
<td>3.2</td>
<td>3.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Encourages uniform procedures.*</td>
<td>3.9</td>
<td>3.7</td>
<td>3.8</td>
</tr>
<tr>
<td>Makes attitudes clear to staff.</td>
<td>3.9</td>
<td>3.7</td>
<td>3.8</td>
</tr>
<tr>
<td>Maintains definite standards of performance.</td>
<td>3.8</td>
<td>3.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Assigns staff to particular tasks.</td>
<td>3.7</td>
<td>3.6</td>
<td>3.6</td>
</tr>
<tr>
<td>Asks that staff follows standard rules.</td>
<td>3.7</td>
<td>3.7</td>
<td></td>
</tr>
<tr>
<td>Decides how task shall be done.</td>
<td>3.6</td>
<td>3.2</td>
<td>3.4</td>
</tr>
<tr>
<td>Acts without consulting staff.</td>
<td>2.8</td>
<td>3.0</td>
<td>2.9</td>
</tr>
<tr>
<td>Schedules work to be done.</td>
<td>2.8</td>
<td>3.2</td>
<td>3.0</td>
</tr>
<tr>
<td>Keeps to him or herself.</td>
<td>2.6</td>
<td>2.8</td>
<td>2.7</td>
</tr>
<tr>
<td>Refuses to explain actions.</td>
<td>2.2</td>
<td>2.6</td>
<td>2.4</td>
</tr>
<tr>
<td>N</td>
<td>39</td>
<td>50</td>
<td>89</td>
</tr>
</tbody>
</table>

*Independent Samples T-Test < .05

<table>
<thead>
<tr>
<th>Predominant Relationship Behavior</th>
<th>76.9%</th>
<th>59.2%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predominant Task Behavior</td>
<td>23.1%</td>
<td>40.8%</td>
</tr>
</tbody>
</table>

($X^2$ (1 d.f.)=3.09; $p<.079$)  
®=relationship behavior
Table 3: Levels of Job Satisfaction in Converged Newsrooms

<table>
<thead>
<tr>
<th>Level</th>
<th>Newspaper</th>
<th>Television</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very</td>
<td>48.7%</td>
<td>44.9%</td>
<td>46.6%</td>
</tr>
<tr>
<td>Somewhat</td>
<td>38.5%</td>
<td>36.7%</td>
<td>37.5%</td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>10.3%</td>
<td>6.1%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Very Dissatisfied</td>
<td>2.6%</td>
<td>12.2%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

N=88

Table 4: Percent of Responses on Whether Convergence Improves Quality and Sharing

<table>
<thead>
<tr>
<th>Quality Sharing</th>
<th>Quality Sharing</th>
<th>Quality Sharing</th>
<th>Quality Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newspapers</td>
<td>Television</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Never</td>
<td>10.3%</td>
<td>6.1%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Seldom</td>
<td>12.8%</td>
<td>16.3%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Average</td>
<td>23.1%</td>
<td>38.8%</td>
<td>31.8%</td>
</tr>
<tr>
<td>Very Often</td>
<td>46.1%</td>
<td>26.5%</td>
<td>35.2%</td>
</tr>
<tr>
<td>Always</td>
<td>7.7%</td>
<td>12.3%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Sharing (X^2(4d.f.)=13.49;p<.009)

RQ4 also addressed levels of sharing in the newsrooms. Regression analysis indicated (beta=.082, p<.000) as convergence levels rise, sharing can also be expected to rise. Sharing was also predicted by market size (beta=.228, p<.006). The relationship indicated that larger market newsrooms (lower ADI’s) are more likely to share more resources than small-market newsrooms. Interestingly, there was a significant difference between newspapers’ and television stations’ perceptions of how often visuals, audio, etc. were shared. Table 4 indicates that 50 percent of newspaper journalists stated that they very often shared; while TV journalists indicated only 28.6 percent of the time were such resources very often shared. Qualitative responses from television and print newsrooms regarding quality and sharing are categorized in Figures 1 and 2.
Figure 1: Comments from Television Stations Regarding Quality and Sharing

Figure 2: Comments from Newspapers Regarding Quality and Sharing
H1 stated that the relationship behavior of news managers increases the job satisfaction of converged news staff members, while H2 stated that as relationship behavior increases, levels of convergence also increase. Table 5 indicated a significant relationship between the relationship behavior of news managers and the job satisfaction level of newsroom subordinates. The relationship between relationship behavior and level of convergence was also significant. Hierarchical multiple regression analysis was also used to test H1 and H2 (see Table 6). Medium and market size were used in the first block, demographics were used in the second block, and task and relationship behaviors were used in the third block to test the unique additional variance accounted for by leadership behavior and job satisfaction, as well as leadership behavior and level of convergence. In support of H1, relationship behavior (b=.368; p<.05) was a significant positive predictor of job satisfaction. In support of H2, relationship behavior (b=.280; p<.01) was also a significant positive predictor of level of convergence.

### Table 5: Correlations among Leadership Behavior and Job Satisfaction and Level of Convergence

<table>
<thead>
<tr>
<th>Paired Variables</th>
<th>Pearson Correlations</th>
<th>Significance level (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship Behavior/</td>
<td>.435</td>
<td>.000</td>
</tr>
<tr>
<td>Level of Job Satisfaction</td>
<td>.354</td>
<td>.001</td>
</tr>
</tbody>
</table>

N=89

### Table 6: Predictors of Job Satisfaction and Levels of Convergence

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Job Satisfaction (R²=.032)</th>
<th>Level of Convergence (R²=.025)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Block 1: Media Market</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Media</td>
<td>.098</td>
<td>-.118</td>
</tr>
<tr>
<td>Market</td>
<td>.035</td>
<td>-.125</td>
</tr>
<tr>
<td>Block 2: Demographics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Years in current position</td>
<td>-.161</td>
<td>.027</td>
</tr>
<tr>
<td>Year in news</td>
<td>.270</td>
<td>.183</td>
</tr>
<tr>
<td>Age</td>
<td>.207</td>
<td>.300</td>
</tr>
<tr>
<td>Block 3: Leadership Style</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relationship</td>
<td>.368*</td>
<td>.280**</td>
</tr>
<tr>
<td>Task</td>
<td>.068</td>
<td>.039</td>
</tr>
</tbody>
</table>

*p<.05; **p<.01. All betas are standardized coefficients.
Discussion

According to the literature, leadership styles impact an organization’s ability to achieve goals and reach job satisfaction. This study looked at the role of leadership in attaining convergence goals and job satisfaction in print and broadcast newsrooms. Newsrooms at varying stages of convergence were chosen for analysis in order to identify what happens when traditional or so-called legacy media combine.

In most of the newsrooms selected for this study, management was supportive of convergence and news products were cross-promoted as a result. Journalists of these converged newsrooms indicated they are producing multimedia, occasionally joining each other’s staff for planning meetings, and have a multi-media director as part of the management team. However, few are actually providing training, and even fewer are providing monetary bonuses. Furthermore, the qualitative data indicated that most of the newsrooms were not operating at a level of full convergence. One possible difficulty with convergence is that journalists embrace autonomy, as past studies have indicated. Yet teamwork is a necessary component of convergence, and some journalists will resist the change.

One variable that seems to make a difference in furthering a convergence partnership is the leadership behavior of news managers. While all newsrooms surveyed were practicing media convergence with either a television station or newspaper in the same market at some level, those newsrooms where managers had relationship-orientated leadership styles were practicing more convergence activities. As relationship behavior increased, so did level of convergence. Neither personal nor environmental characteristics affected this relationship.

While no differences were identified between small and large market leadership styles, there were some differences among print and broadcast newsrooms. Television journalists were less likely to indicate that quality improves as a result of convergence. Television journalists also perceived less sharing occurred in the partnerships. They also expressed lower levels of job satisfaction. One possible reason was that television news directors were more often perceived as task-oriented. Television managers were also more likely to refuse to explain their actions.

Newspaper managers on the other hand were perceived as more relationship-oriented. As one respondent stated, ‘The newspaper’s style is more fluid and flexible; the TV station’s style is more controlled and structured.’ However, newspaper managers were also more likely to be informative by letting staff know what was expected and encouraging uniform procedures. As a result, journalists at the newspapers appeared to be more approving of convergence and satisfied with their overall roles in the process. One explanation why convergence might be viewed more positively was that print journalists became more visible in convergence activities and may have had more to gain. Television may have gained more resources in terms of reporting
power, but more visible impacts such as higher ratings, increased revenues, or visibility in other forms may not have been as evident.

The study supports previous findings that relationship-orientated leadership behavior increases goal attainment and job satisfaction (Cragan & Wright, 1980; Adler & Rodman, 1985). Subordinates in converged newsrooms attain higher levels of convergence and are more satisfied with their work when they are involved in the decision-making. This finding also supports research that indicates job satisfaction is higher when subordinates see possibility for growth on the job. One possible reason is that when subordinates are included in something new, levels of enthusiasm or feelings of inclusion may rise, increasing job satisfaction regardless of other variables. These findings contradict notions of a top-down approach. Instead, they suggest partners should be included in decision making. The process could start in one area such as sports and then expand to other areas such as business or spot news. What may initially be perceived as a burden can become an opportunity for journalists in converged newsrooms to expand horizons and create a better type of journalism. As one respondent stated, ‘Management of the newspaper is enthusiastic about convergence, but the newsroom itself is reticent.’ A leader’s ability to bridge this gap will make a significant contribution to his or her success in reaching convergence goals.

References


Middle Managers’ Identity Work in a Media Context

Tomas Müllern

Abstract

This paper explores the links between organizational change and the identity work of middle managers in a media context. Based on evidence from interviews in a selection of media companies the paper problematizes three often discussed myths on middle managers and change. It is proposed that middle managers in media companies find themselves in a situation of continuous and pervasive change, with strong consequences for how they view themselves in front of others. Different strategies were used to come to grips with new and changing conditions.

Introduction

This paper attempts to problematize the identity work of middle managers in a media context. The paper reports on a major research effort studying middle managers in different contexts. A number of case studies were carried out in companies in the media sector and this paper presents results from these studies. The research program tries to understand how middle managers construct their roles and identities in the wake of new and innovative forms of organizing. The starting point for the program is the observation that middle managers today find themselves in new and changing organizational positions and situations, and that these new conditions influence how they apprehend their roles and construct identities. The term middle manager has caused a lot of confusion and in this paper we take broad view on who is a middle manager. Any personal with a formal managerial responsibility and with a managerial level above him/her is classified as middle manager. Based on this broad definition it is important to make a difference between different categories of middle managers, for instance between upper- and lower level managers.

This paper singles out identity construction, and based on suggestions from philosophers and social scientists like Bauman (2004) and Giddens (1994), as well as organization theorists Thomas and Dunkerley (1999), it argues that more attention needs to be paid to the complex, emergent and contested nature of identity. We prefer to talk about a collage of identities, a parliament of selves, rather than a single, unified and stable identity. In newer research on identity the processual and constructed nature of it is stressed, and this has important consequences for how we understand and empirically study the identity work of middle managers (Gioia, Schultz & Corley, 2000).
Managing ‘in-between’ is a challenging task in today’s business environment. Demands from upper management and an empowered pool of employees may pose different and conflicting demands on each and every manager in the organization. Finding a role and constructing an identity is however not just a reflection under static conditions. Reflecting on your own identity as middle manager involves dealing with constantly changing circumstances, and the identity is often challenged over time. The middle manager identity is thus not set once and for all. Middle management reality is in flux, and it is acknowledged by many observers that change is a crucial element in the day-to-day activities of middle managers, and that this leads to new roles (Balogun, 2003; Brubakk & Wilkinson, 1996; Jaeger & Pekruhl, 1998; Westley, 1990). Media companies are characterized by frequent and often radical changes resulting from both competitive and technological pressures (Feldmann, 2002), and this calls for a constant reflection on your own identity as a middle manager, and how this identity work reflects and contrasts with organizational changes.

Tensions arising from differing expectations at different levels force middle managers to reflect upon whom they are, their identity, and these reflections are brought to the forefront in situations of change. When media companies get involved in external alliances and other types of external relations, this creates new and demanding conditions for middle managers. In much the same way internal, organizational, changes create new conditions. In the general literature on middle managers it is often reported on the consequences for middle managers of organizational changes such as downsizing, decentralization, IT-investments and de-layering (Balogun, 2003; Thomas & Dunkerley, 1999). Dopson et al (1992) characterize the new situation for middle managers as being more general, with greater responsibilities and a wider range of tasks. They are reported to face more demands from both senior managers and subordinates, they are held accountable for their work and their performance is more in focus. There is, however, a lack of more specific studies on middle managers in a media context, and this paper is an attempt to fill this gap.

Middle managers reportedly face both conflicting and changing demands, and this, most certainly, influences what they do, and how they construct an identity (Dopson & Neumann, 1998). In this active finding and constructing of an identity as middle manager they are influenced by a number of moderating factors such as time-constraints, lack of financial resources, lack of support from senior managers, conflicting demands, and the like. Many middle managers report on tensions between what they are able to do, given these restraints, and what they are expected to do by others. Hill (1992) views this as a process where the middle manager has to reconcile inconsistent and conflicting expectations with reality: the expectations from subordinates was reported to be the major source of ambiguity and overload.

The literature trying to explain and understand the specific challenges connected to the middle management position or role is exploding (Livian &
Burgoyne, 1997; Thomas & Dunkerley, 1999), and the sheer amount of books and articles published the last few years suggests a new and challenging situation for many middle managers. There are, however, many inconsistencies and contradictory results if we turn to the specific consequences of organizational changes on middle managers’ roles and identities. Middle managers are reported to feel squeezed in a ‘tug-of-war’ between different organizational forces and these feelings seem to be accentuated when organizations go through re-organizations (Müllen & Wåhlin, 2005). The ‘survivor syndrome’, the problems related to dealing with the consequences of downsizing, restructuring and similar changes, is without doubt one of the most common themes in the literature on middle managers during the 1990s (Thomas & Dunkerley, 1999). Middle managers experience a growing gap between work demands and the available resources for meeting them (Scase and Goffe, 1989). A more mixed image is presented by Dopson & Stewart (1990), where the managers in their data set were more positive claiming to have experienced more challenging tasks and more responsibility. Change efforts in organizations often aim at downsizing and changing internal processes and structures (Pettigrew et al, 2003), and it is claimed that middle managers are especially exposed to these changes (Pinsonneault & Kraemer, 1997). The outcome, however, of these changes need not be only positive or negative. Watson (2001) shows that managers often find themselves in a state of transition characterized by confusion and where the outcome sometimes is a feeling of lack of control, stress and a negative image of themselves as managers and sometimes the opposite.

When organizations change, arenas are created, deliberately or not, for new and changing identities. During change processes, demands on managers often change both from senior managers as well as from subordinates and these changing demands are powerful triggers for identity creation and change. Words like ‘identity’, ‘role’, ‘demands’ and ‘positions’ are often used to describe the middle management situation, and the literature gives a confused view of these concepts. It seems like they are often used synonymously, which makes it hard to compare different studies and create a more coherent picture of middle management reality.

Organizational change is a way for upper managers to make their expectations of middle managers more explicit, and these expectations can be communicated through written information, in training programs, and in informal face-to-face communication. Middle managers, on their hand, invent different strategies for dealing with their perceived contractual commitments (Hallier & James, 1997). Organizational change, however, also carries with it a lot of hidden messages and expectations that are less openly communicated. These expectations are hard to verbalize and are often characterized as ambiguous at the same time as they are perceived to be pressing (Turnbull, 2001).
This paper is an attempt to explore further the link between organizational changes and middle managers’ identity construction. The paper uses parts of a theoretical model that tries to capture how middle managers develop their roles, activities and identities in response to both psychological factors (expectations and values) and organizational factors (position in hierarchy, organizational form, changes etc), and what factors that contribute to the performance of middle managers (in terms of financial performance, acceptance from senior managers and co-workers, stress). The model, in its whole, has been tested in a large survey in a set of Swedish companies. In this paper we are especially interested in the link between middle managers identity construction and organizational factors, and more particularly the role of organizational changes.

In the literature on middle managers a number of topics dominate the discussion and they are frequently repeated, and they are seldom questioned and there is definitely a lack of solid empirical research. This paper discusses and challenges three of these topics. By referring to the topics as myths we try to go beyond popular stereotypes of middle managers, and present a more balanced view. The text presents a critical re-reading, or deconstruction, of the three popular myths on middle managers and how they deal with and react to organizational change. It is done in a media context using empirical material collected through interviews and secondary material. By confronting the myths with empirical evidence the paper creates a more varied understanding of middle managers identity construction in situations of change.

The empirical results are based on 35 interviews with middle managers in a selection of larger media companies (between 1.000 and 3.000 employees). The purpose is neither to specify the conditions in the single company, nor to compare the different organizations in the analytical dimensions discussed below. In that sense the empirical data is not presented as case histories, but rather as illustrations of the more general, theoretical points made in the discussion of each myth. The purpose is to reflect upon the myths as presented in the literature, and the focus is on theoretical reflections, rather than company specific considerations.

**Middle managers are negatively affected by organizational changes**

The first myth deals with the common assumption that middle managers are especially exposed to organizational downsizing and related organizational changes. It is even assumed that the ultimate aim of organizational change is to get rid of middle managers. Tom Peters (1992), in *Liberation management* is perhaps the most undisguised proponent of such an ideological standpoint, but even if we look at the more balanced literature on middle managers we often find an assumed strong and negative link between changes and middle managers. It is tempting to agree with the major proportion of the literature that middle managers are often negatively affected by organizational changes.
The literature points at two major negative outcomes. The first is the obvious consequence of downsizing and other tools for increasing the efficiency of the company – the number of middle managers decrease. The second deals with the consequences for the remaining middle managers, in terms of stress, insecurity, fatigue and related effects. In both cases our empirical material, as well as existing research, points at a more complex reality, where the effects of organizational changes are neither direct nor obvious in their direction.

Media companies are no exception to the general trend towards implementing new and innovative forms of organizing. Organizational change is an important leitmotif in the narratives of middle managers as collected through our interviews in media companies, and many of the respondents refer to downsizing as an important element in recent change projects. The myth, as expressed in the heading above, envisions a situation where current organizational changes serve the purpose of getting rid of middle managers. Downsizing, outsourcing, IT-investments and similar elements in change initiatives are often assumed to affect the middle management category in particular. Our studies on middle managers in general, and middle managers in the media sector in particular, show a much more complex picture. Horton and Reid (1991: 23) write:

> It is premature, then, to conclude that middle managers will become an extinct species during the 1990s. They will still be important players in the corporate game – but this will be a new game with an entirely different set of rules.

There are elements of downsizing in the companies we have studied, combined with attempts at decentralizing and de-layering, even though the changes are not as radical as often proclaimed. There are even respondents claiming that an effect of organizational changes the last few years has been an increase in the number of middle managers at the same time as the total number of employees has decreased. At the same time, the majority of interviewees reported on larger areas of responsibility and more work, which seems to contradict the previously mentioned view. Part of this confusion goes back to how the companies define a middle manager. It seems like the definition is getting broader over time, with more employees being classified as middle managers, which, by the way, came as an awakening for a number of the managers that we interviewed. When managers report on an increase in the number of middle managers this could reflect the growing recognition that ‘I am manager as well’.

But what is meant by organizational change and what are the specific aspects covered in this paper? First of all, the paper is concerned with the effects on the middle managers still working in the company – the direct consequences of downsizing in terms of workers made redundant is not discussed. There are two aspects of organizational changes that have important consequences for the understanding of middle managers’ identities. The first has to do with the sheer rate and pace of organizational changes, and finding oneself in the midst of a
stream of new and changing expectations. The second aspect has to do with the specific content of the changes, with the combination of boundary crossing activities and internal, structural changes.

An important aspect of the middle managers’ narratives is the continuously ongoing changes they describe. Being a middle manager in a media company is essentially about finding your role and identity in a turbulent field, where change is the order of the day. The traditional model of change, as the eruption between periods of stability, is giving way to a change model where change is incorporated in the day-to-day activities of the company, and where the middle managers struggle to understand this new rate and pace of change. McKenna (1994:6) argues that companies need to facilitate the middle managers’ handling of complexity.

While the world around them is changing constantly and vigorously, middle managers in most organizations have to confront the reality of this every day as they manage. Psychologically and structurally this poses unique problems for most middle managers, and consequently the world is littered with workshops, programmes, events and seminars, etc. on “managing organizational change.

In our interviews in media companies, management courses seem to fulfil important roles in moderating expectations and deal with tensions and ambiguities surrounding change efforts. The middle managers, on their hand, search for arenas to deal with the tensions and ambiguities surrounding the change efforts, and top management, on their hand, also search for ways to communicate their expectations on the middle managers. In the companies management courses, and similar occasions for dialogue and information, was instrumental in meeting both ends.

Among the middle managers we have met, two attitudes towards continuous change are predominant. The first attitude is more negative and displays a general aversion to change – ‘not again’ is an often repeated phrase. This, however, is an attitude concerning change in general. When it comes to the specific change efforts at hand they are more positive and they often share the intents of the change proposals with top management. The second attitude views continuous change as inevitable and something you have to accept – it is even exciting. The attitudes towards change also reflects a centre-periphery dimension – the closer to top management the managers’ work (in a hierarchic and especially a geographic sense) the more positive the attitudes towards change that are displayed.

*Due to organizational changes middle managers have lost their core identity and have a hard time finding a new one*

The above mentioned trends in organizing have some important consequences for the identity work of middle managers in a media context. There are two
direct consequences that can be attributed to the ongoing attempts in many media companies to downsize. First, downsizing is often a signal of threat to the own position – ‘I managed this time, but the next time it might be my turn to go’. We have met many middle managers in media companies in Sweden that tell us a story about fear, and this definitely affects their view of themselves in relation to the company. Second, the consequences can also be a widened area of responsibility, and this is often viewed as positive even though it can lead to more work. The middle managers we have interviewed often reported on a heavier workload but this was often framed in a positive context – ‘I am more important nowadays’.

The myth positions the middle manager as a ‘victim’ of forces beyond her or his control: they have ‘lost the plot’ to quote Thomas & Linstead (2002). Middle managers are threatened by the effects of downsizing and similar change efforts, and this leads to a loss of their core identity as defined by their hierarchic position and established cultural patterns. This simplified picture is more and more being questioned as empirical studies shed new light on the identity work of middle managers. It is, for instance, suggested that middle managers, in the proposed flattened organization, are positioned closer to the strategic apex and thus closer to strategic decision making.

Our interviews show a constant search for definition – ‘who am I in relation to others’. The organizational change efforts in the media companies have surely influenced how they take on the role as middle manager. The organizational changes, in fact, made the respondents aware that they were middle managers – in that sense the changes helped clarify expectations on them. Media companies are no exception from the general trend of leadership development in companies. The role is, in a sense, professionalized and this adds to the self-esteem of the single middle manager, and through courses, seminars and discussions the managers are provided with tools for developing their leadership skills. The managers seem to be more secure in realizing that they are managers and that this has consequences for how they view themselves.

The ambiguities and problems in constructing an identity occur in the next step – ‘what kind of manager should I be and what is expected from me’. Expectations from above and from below are especially powerful inputs to the identity construction, and the tensions between the different levels create a lot of uncertainty. The major problem with expectations from below is that they tend to outweigh what the single manager can achieve considering time and cost restraints and expectations of senior managers. In the case of expectations from above, the major problem seems to be that they are not always brought in the open, and when middle managers sense that there are expectations but they are not outspoken, it creates problems in the identity work. This spoken-unspoken dilemma is, once again, reflected in the centre-periphery attitudes discussed above. The official discourse is read with different eyes in the periphery, and the change proposals are viewed with more suspicion and the
middle managers in this group experience more ambiguity in their identity work.

The results from the media companies differ from the more general results presented by Thomas & Linstead (2002). Their analysis of a selection of middle managers in a variety of different sectors shows a group of managers in search of an identity, and they find that holding on to an identity is difficult because of the increased complexity in the managerial work. Our results point at a less ambiguous situation with a stronger attachment to the top management vision. One reason for this has to do with the strong professional attachments a number of the managers have. They are committed to work in the media sector and many are journalists or have other media training. They are definitely more committed to their company and to the sector than the archetypical middle manager. This, at the same time, makes them more willing to accept the official change discourse. The corresponding, new, managerial identity is, however, fairly weak and draws a lot from the official discourse. This theme is further explored below.

**Middle managers are in general hesitant and often downright negative towards change initiatives**

It is often reported that middle managers are a major source of resistance towards change initiatives stemming from above. Johnson & Frohman (1989) describe this as a gap between the more positive views held by top management (and the level below the middle managers) and the negative ones held by the middle management levels. Attempts at involving employees are often reported to stumble on the resistance from middle managers (see Fenton-O’Creevy & Nicholson, 1994 for an overview). As pointed out by Fenton-O’Creevy (2001) the majority of studies draw on senior management attributions of this resistance, and studies of self-reported attitudes show a more mixed reality. It was shown in the fact that the hypothesis that middle managers would show more negative attitudes concerning employee involvement than higher managers was unsupported.

But criticizing change proposals coming from top management need not be negative. In a study by Currie (1999) it was shown that middle managers often contested performance indicators in business planning when a top-down approach was used. This, however, led to new and enhanced roles for middle managers, and it was shown that they could add value to the organization. Criticism, if brought in the open, can thus be a major source of information in the process of change. An open discussion concerning change proposals is also well in line with current, democratic ideals on leadership, with a more explicit focus on establishing a transforming relationship between managers and their co-workers (Bass, 1998).

An important conclusion we have drawn from our interviews is that middle managers invent different strategies to reconcile change initiatives with their
Middle Managers’ Identity Work in a Media Context

identity work. Based on their ‘reading’ of the official change discourse they engage in something we call convergent identity work, that is, they try to adapt to the change discourse and thereby remain loyal to their employer. The most common form of identity work found in our analysis was labelled a reinvented identity, where the respondents showed a positive attitude towards the expectations communicated by top management in the change proposals. The change discourse, in a sense, helped them find their way in the identity work. From a top management perspective this can be interpreted as positive, since they got a lot of acceptance for the change ideas. This, however, happened at the expense of developing a strong sense of individual identity, or to put it more formally, the individual identity was constructed and developed through the input and legitimacy gained from the official change discourse: the identity construction thus centred on expectations from top management in an affirmative way. A second, and less common, form of identity work was also identified, and this was labelled affirmative identity. This second form sprung from a clear sense of individual identity that was used to come to grips with the change discourse. They were still positive towards the change discourse but instead of letting the discourse influence their identity it worked the other way around. This group was characterized by being more reflexive and questioning. The second form suggests a more active agent not only accepting the official discourse but also being engaged in the construction of the discourse. In both cases, however, the official discourse provided the middle managers with a source to secure legitimacy and gain a sense of purpose and status (Thomas & Linstead, 2002).

Discussion

Our studies on middle managers’ identity work in media companies show a dedicated cadre of employees. Their identity work was described as either reinvented or affirmative – in both cases an identity work that displays a positive attitude towards specific change proposals. The identity work was to a large extent influenced by current organizational and technological changes taking place within and around the companies. The basic starting point for the paper was thus confirmed – there is a strong link between the intensity and content of change on the one hand and the identity work of middle managers on the other hand. It can thus be argued that organizational change can be a powerful trigger for identity work.

Our major impression was of an identity work that converged with the change discourse. The convergent identity work, however, coincided with a less positive attitude towards change in general. There was a lot of ambiguity and uncertainty concerning the overall direction of the companies, and what this meant for the middle managers. Organizational changes, both current and future ones, consist of both threats and opportunities, and over time the uncertainties concerning specific change efforts decrease as participants learn
about the consequences for them as individuals. This is partly an explanation of the positive attitudes displayed toward the changes taking place at the time of our interviews, and the more negative attitudes toward change in general. It is thus perfectly possible to combine a view that ‘I like the ideas of this change project but I don’t like change’, without hypocrisy.

An interesting situation that did not arise in our empirical material from media companies is the case of more negative readings of the official change discourse. Theoretically two more types of identity work can be identified. Both the affirmative and the reinvented identity were shown to converge with the discourse, in the first case with a stronger sense of individual identity and in the second case with stronger course influences, but what if the individual readings diverge from the discourse? A parallel to the affirmative identity, but with a more critical reading of the discourse could be labelled *abberant identity*. The identity work of managers in this category often puts them in stark opposition to top management, either by voicing their resistance or leaving the organization. The second type of divergent readings is called *identity and alterity*, and it describes a type of identity work with a mix of loyalty and opposition, altering between constructions of opposition and loyalty. It is important not to discard the two divergent types as just opposition and dangerous for the organization. Opposition can carry a lot of useful knowledge and information for the change process – the trick is to take care of the opposition and turn it to an advantage.

Why, then, is the link between change and identity important? One obvious answer is the explicit link between identity and motivation, where a clear sense of self-worth has been shown to contribute to the motivation of the individual. This is highlighted in the literature on charismatic leadership where a number of authors points at the strong link between higher needs like self-actualization and identity (Conger, 1999; Shamir et.al., 1993). Considering the clear results concerning identity and motivation in the literature on charismatic leadership, it is somewhat surprising that the links between change and identity have not been explored to a larger extent. Hopefully this paper has contributed to enlarging our understanding of the links between organizational change and the identity work of middle managers, and more specifically within a media context.

**References**


Free Dailies: Success the Machiavellian Way?

Piet Bakker and Ingela Wadbring

Abstract

Metro International has been the most successful entrepreneur in free newspaper sector in the last decade. We examine the leadership style of the company by analysing internal documents (interviews, annual reports) and published material in the general and business press about crises the company faced using a model by Winter (2002) that distinguishes between different leadership motives. Results indicate that achievement is the leadership motive that figures most prominently in internal documentation, but that analysis of external literature shows the outside world sees the company more in terms of using power to reach its goals.

Introduction

Metro has, and no one denies that, an extremely opportunistic attitude regarding the international launches of the paper. We work up on every possible market and catch whatever we get.¹

Most paid newspapers in the Western world have seen their circulation drop in the last ten years². Free dailies, however, have seen an increase in circulation (Bakker, 2002a, 2002b; Price, 2002; Wadbring, 2003; IFRA, 2004) and within ten years these have become major players with substantial shares in many newspaper markets (Bakker, 2005).

¹ Interview with H.C. Ejemyr (personal communication, February 28, 2002 — our translation). Ejemyr was the first publisher and managing director of Metro Stockholm. About the same has been said in an interview by one of Metro’s founders, Robert Braunerhielm (personal communication, February 28, 2002).

Visitors to the Metro website (www.metro.lu) are greeted with the slogan ‘The largest and fastest growing international newspaper in the world’. And indeed, the growth of Metro has been spectacular. Among all companies that publish free dailies, Metro International is by far the largest and fastest growing. The first Metro was published in Stockholm in February 1995. Since then, Metro has launched free papers in many markets (Figure 1).

In 2000 the company launched new editions in nine countries. These did not succeed in the UK, Argentina and Switzerland, but the other new editions did. Another leap forward was in 2004 when twelve new editions were launched. This was followed in 2005 with sixteen more national editions. Most editions were launched in countries where the company was already present, but in 2004 and 2005 the company also entered Portugal and Russia – new territories for the group. In total the number of national editions increased from 20 in 2000 to 60 in February 2006.

Circulation rose from 200,000 in 1995 to 3.3 million in 2000 and 7.3 million in February 2006. Although Metro reports operating profits for almost every edition within a few years, the overall results of the company do not yet show a profit (Annual Reports 2000-2004, 2001-2005).
Free Dailies: Success the Machiavellian Way?

Metro’s leadership

Seen in the light of developments on newspaper markets around the world, the expansion of Metro is extraordinary. No other newspaper company has ever expanded in the same way. Until his death in 2002, Metro was owned by businessman Jan Stenbeck, through different companies in the Kinnevik sphere (Sundin, 2003; 2004). Stenbeck had a reputation as extraordinary as the expansion of some of his companies. Viewed as being at the same time both a genius and very strange (Staël von Holstein, 1999; Andersson, 2000; Nilsson, 2002), his leadership style has been described as Machiavellian because this relied on fear and insult (Andersson, 2000: 21, 285, 296). The following quotations show different opinions about Stenbeck:

I (…) was called to the annual Kinnevik meeting in Gävle. (…) One of the managing directors was called to climb the podium, and everyone had the possibility to criticize and abuse him, which they all did. I sat open-mouthed and wondered what all this was about. I had never experienced this before, even less thought something like this existed. One after one the managers should go through. Already as second man it was my turn. (Staël von Holstein, 1999: 130)

It was a stimulating environment. You had an idea. Stenbeck asked: Has anyone tried it before? No, because it is said to be impossible, you answered— and then he got turned on. Then you could get a fantastic backing and maybe succeed with something that was regarded as impossible. (Andersson, 2000: 281)

Research questions

Stenbeck’s leadership style undoubtedly affected the expansion of Metro International, irrespective of the fact that he was also the owner. But how can it be understood? This paper examines the visible leadership style at Metro International and explores if this can explain the company’s rapid expansion. In order to answer this general question we have two more empirical questions:

\[\text{Media enterprises are only one part of the Kinnevik group. Metro International became an independent company in 2000 when shares were sold to MTG-shareholders. Before it was part of the Modern Times Group (MTG), which in turn was part of the Kinnevik investment group. The Stenbeck family still controls more than 50 per cent of Metro International.}\]
1. How is leadership expressed in the organization itself and to the environment?
2. How is leadership expressed to the outside world in time of crisis?

A third, underlying, goal, is to evaluate the method and material chosen, and the theoretical assumptions behind these.

Theoretical background

Types of media ownership
Jan Stenbeck was both owner and non-executive chairman of Metro International. Tunstall (1996: 80) identifies four types of media ownership, each of which is associated with different goals. This typology is a point of departure for our theoretical outline:

1. ‘Old-style Press Lords’, who accumulate newspapers and promote specific political policies through the newspapers;
2. ‘Crown Princes’ who try to imitate their fathers and maintain the family tradition;
3. ‘Media Moguls’ who acquire papers and other media and have a profit goal;
4. ‘Chief Executives’ who are not major owners but have the same profit goal as Media Moguls.

Viewed against this typology Stenbeck was a Media Mogul. He dominated the organization in a unique way for companies of such a size. All the big companies in the Kinnevik group (for example Metro and Swedish TV3) were started at his initiative and built under his personal leadership. Their expansion has primarily been financed through non-media Kinnevik companies (Andersson, 2000; Sundin, 2003).

In contrast to other moguls like Berlusconi, Springer, Murdoch and Maxwell, Stenbeck did not have roots in the media industry. He also differed from these and other moguls like Anschutz, Kirch and Dassault in that he was not interested in political influence. He was not in media because of the exposure it gives, nor for opportunities to rub elbows with politicians, but rather for entrepreneurial reasons: a good opportunity to make money.

During his career Stenbeck broke monopolies in many countries, primarily in mobile telephony and television (Andersson, 2000; Evertsson, 2001). His strategy was to be first in every market. Metro also fits in this pattern. And in contrast to media owners like Murdoch, Maxwell and Berlusconi, Stenbeck established media in foreign language markets also, which is not unusual for industrial expansion but is less often seen in newspapers (with some exceptions of German and Scandinavian publishers).
But what insights does this classification provide concerning Stenbeck’s leadership style? What is the connection between ownership, leadership style? According to Tunstall (1996: 85):

*The fully fledged media mogul has four characteristics: first, he owns; secondly, he operates (as chief executive) the media property. Thirdly, he is a risk-taking entrepreneur and media empire builder. Fourthly, he has an idiosyncratic or eccentric management style, which may involve political motives.*

This citation uses the terms ‘management style’ and ‘leadership style’ synonymously. While some theorists would dispute this, we shall nonetheless assume that these two terms are interchangeable. Our empirical focus will be how Stenbeck’s leadership style is expressed inside and outside the organization. We will also assume that the leadership style of an organization is closely linked to its corporate culture, and will also examine to what extent this could be demonstrated using the Stenbeck case.

How a leadership style can be investigated empirically is not obvious. Stenbeck gave few interviews during his lifetime, and little has been written about him. Secondary reports suffer from the fact that he has become in some respects a myth, surrounded by rumours and theories of conspiracy. Even if researchers are aware of this it is hard not to be influenced. This problem is present, no matter what sources we use.

**Motives for leadership**

Winter (2002) measured the leadership styles of political leaders according to motive. He identifies three human motives in leadership: power, achievement and affiliation. Although developed in the context of political leadership, these categories apply to any type of leader. We apply these to our empirical data.

Winter’s empirical data is primarily written texts (diaries, speeches, and official communications). The *achievement* motive is clear when leaders express concern for quality of performance, successes in competition and unique accomplishments. *Affiliation* is visible when leaders stress the maintaining of friendly and warm relations among persons or groups. Focusing on control, impact, influence, prestige and arousing strong emotions reveals the *power* motive. Winter asserts (2002: 123) that power ‘is associated with successful leadership, and that especially in political and bureaucratic settings a relation with warfare is possible.’ Power, combined with internal control, is strongly related to successful leadership. Achievement is more associated with entrepreneurial activities in small research oriented enterprises.

**Methodology**

Leadership is expressed in the routines of everyday work life. These are hard for a researcher to access without recourse to anthropological approaches. In this
Winter’s typology of power, affiliation and achievement motives in leadership was developed in relation to objectively determined leadership outcomes such as socio-metric leadership success, ratings by historians etc. These criteria are not appropriate for this research, since our point of departure is Metro’s success in terms of expansion. This paper therefore applies Winter’s typology of leadership motives to secondary data concerning firm leadership in normal and crisis conditions and assess how these relate to the organisation’s expansion.

Data
The data sources used to answer our first question (How is leadership expressed in the organization itself and to the environment?) are published interviews (in Swedish) and annual reports (in English), specifically:

1. Interview by the journalist Per Andersson and reported in his book on Stenbeck (Andersson, 2000: 325).
2. Interview with Stenbeck’s daughter Cristina in Metro Sweden (2005, 14 February).
3. Two interviews with Pelle Törnberg, CEO of Metro International, one reported in Metropol (1/2005), Metro’s magazine for advertisers, and one made by Ingela Wadbring (2003), (some data from this was used in a previous publication).

The interviews did not address our explicit focus here but this was to some extent advantageous since they could perhaps expose unintended statements.

As unit of analysis, we used sentences. This gave us 1,403 sentences from interviews and annual reports. Excluding interviewers’ questions and analysis this provided 1,125 remaining sentences. Figure 2 provides an overview of how often the different motives are expressed in the texts, is presented.

For the second research question (How is leadership expressed to the outside in time of crisis?) secondary data sources in the form of press articles, online sources, interviews, press releases and official reactions from Metro were used. Metro’s ten-year history reveals a constant battle between Metro and a hostile environment. We identified the most important crises and selected those where
sufficient material exist to analyze the management style. Four different types of crisis were identified:

1. A commercial crisis occurs when business goals are not realized within the expected timespan.
2. Legal crises occur when the company has been taken to court or to a fair trading office, or where Metro sues its competitors.
3. Editorial crises occur over editorial policy or staffing in the editorial department.
4. A labour crisis is apparent when labour unions oppose the paper.
5. Public relations crises involve bad publicity. Almost all crises involve this, but there are examples where the crisis mostly consists of bad PR.

From the many crises Metro has gone through, three were selected:

1. The sacking of the Editor-in-Chief of Metro Holland in 2001 over editorial policies.
2. The introduction of Metro in France in 2002, which involved labour, legal and public relations issues.
3. The racial remarks crisis in Boston in 2005, which had commercial implications (it coincided with an important business deal with the New York Times Company) and legal problem.

Case studies
Analyzing Metro executives’ statements during a crisis and comparing these with those made otherwise would be a good way to compare how leadership is expressed under ‘normal’ condition, and in times of crisis. The secondary data available however does not permit such an approach. Metro seldom issues press releases, grant interviews or comments on ongoing affairs. The material on the best-documented crises is therefore comes mainly from competitors, former employees, labour unions etc. This material is often repetitive; arguments and quotes are repeated in different media. This rules out quantitative content analysis since it would amplify these re-occurring arguments. There are examples of comment by Metro employees, but it is doubtful that their

---

4 While retreating from a country, some legal cases and massive bad publicity may be described as a crisis, failing profitability or postponing a launch can be regarded as a minor setback. We use the term here for all sorts of setbacks and problems, regardless of severity.
statements are representative of the company, since these individuals are often low ranking officials or make their comments anonymously.

To avoid these problems we first developed brief case descriptions and analysed the arguments made, according to the same motives (achievement, affiliation and power) in order to assess which arguments and styles are used by Metro and are dominant in each crisis.

Results and analysis

Application of Winter’s typology of power, affiliation and achievement motives in leadership to the results of the data analysis described above yielded the following findings:

Expressions of leadership in the organization itself and to the environment

To answer question one, we analysed the interviews and annual reports texts using sentences as a unit of analysis. Figure 2 provides an overview of how often the different leadership motives are expressed in the texts.

![Figure 2. Expressions of leadership motives (percent of all expressions by representatives of Metro International). n=1,125 for all sentences, n=451 for sentences explicit about the management.]

The most apparent feature is the dominance of the achievement motive. The power motive is present, but not to the same extent. Affiliation is almost absent. The pattern is the same if we use all sentences about the company and the management or only the sentences about the management.

Examples of the achievement motive (first quote) and power motive (second quote) can be taken from the interview with Cristina Stenbeck:

*We have had focus on being as good as possible in earning money, and have succeeded quite well.*

*They (the management) are responsible to run their businesses, and I am responsible that they have the best possible boards of directors.*
It is harder to find examples of the affiliation motive, but one can be found in the 2002 Annual Report, where Törnberg writes about Stenbeck after his death:

Metro exists because of Jan’s vision and determination as a serial entrepreneur with unparalleled experience of starting up and running businesses.

There is also one example that displays power, affiliation and achievement motives together (Annual Report 2003, 2004):

There are a number of alternatives, including the organic extension just referred to; franchises like the agreement in South Korea that generate revenues but require limited investment; ‘affiliate’ agreements, like the one that we made with a local publishing group in Spain, which generate national sales commission at the cost of a national editorial feed; partnerships as in France and Canada with established non-competing media companies that strengthen Metro’s market position and accelerate development; and, the model that we have most often adopted—start-up and development under Metro ownership and management.

According to Winter, when the achievement motive much stronger than other motives, this suggests the leadership style is entrepreneurial. The achievement motive is not appropriate to large and bureaucratic organizations and also not in politics where power motives are far more common.

When we look closer at who is being interviewed, it is clear that achievement is the most expressed motive in two interviews (Figure 3). The interview that shows a different result is the unpublished one with Törnberg. The reason could be that the purpose of the interview was to gain knowledge about the everyday life at Metro International, and therefore the answers from were not about its success, but about day-to-day working processes.

The interview with Cristina Stenbeck contains more references to power motives than achievement ones, although the difference is not very big. The explanation is that the interview is about how she will take care of her father’s company, now he isn’t by her side anymore. The questions are put in a way where she must discuss power with the journalist, whether she wants to or not. The same result can be seen in one of the interviews with Törnberg: power is more expressed than achievement. Probably the purpose of the interview more or less dictates what motives are expressed, or at least what statements are published.
Affiliation motives are seldom expressed. But the Törnberg interview contains more affiliation references than any of the other interviews. The explanation is that Törnberg speaks in a friendly way about other managers in Metro, who were at Metro in the beginning.

As we have seen, press interviews carry a possible interviewer bias that could lead the person interviewed towards certain topics and therefore also to certain leadership motives. Other motives could be under-reported. On the other hand, it is not very likely that the interviewee would express motives that are not part of his or her style. Annual reports will not suffer from this bias as it is expected that the company strategy should be clearly explained to shareholders and investors. These have been authored by the same person over the years: CEO Törnberg, and he has the freedom to express whatever he wants (see Figure 4). And he does. Every single year achievement is the most expressed motive: Metro is a newspaper that has succeeded and Metro International is a company that has succeeded and the shareholders should be absolute convinced about that.

Figure 3. Expression of leadership motives in the interviews (percent of all explicit expressions made by the interviewees about management); n is from top to bottom: 103, 39, 107 and 71 sentences.
Figure 4. Expression of leadership motives in annual reports (percent of all sentences); n is from top to bottom: 59, 60, 50, 85 and 78.

The levels of achievement motive differ. In 2000 and 2003 about 60 percent of the sentences mention achievement. In other years the level is around 40 percent. The result for 2000 could be explained by the fact that many new editions started that year, and it is therefore reasonable to talk about achievement to a greater extent, but such an explanation doesn’t work for 2003 when only a few editions were started.

The power motive is expressed to a lesser degree. About fifteen to 20 percent of the sentences contain something related to the company’s power—except the year 2001 when power is expressed more often. Affiliation is not something that characterizes the motives of Metro International’s leadership. The few times it is expressed, concern when Stenbeck is mentioned after his death.

How these results shall be interpreted is not clear. Data sometimes shows opposing results. What could be stated is that the achievement motive clearly dominates and that affiliation is almost absent. We will return to the discussion at the end of the paper, but first we will turn to Metro’s public handling of crises.

Expression of leadership to the outside world in time of crisis

Metro Holland: labour and editorial conflicts

In the beginning of 2001 Metro’s editor in chief Jelle Leenes stepped down after a dispute over editorial policy. According to Metro both parties had ‘fundamental different ideas about editorial policy’ (de Volkskrant, February 2, 2001). The obligation to carry more international (Metro) news was one of the disputed areas. Cost reduction, because of the meagre performance of the Dutch edition, was the reason for this strategy. Leenes said he got much more
freedom from the Swedes before 2000, as long as he stayed within his budget (de Volkskrant, February 16, 2001).

In October 2001 a dispute about new cuts in staff broke out. Dutch journalists union NVJ, the international IFJ and the European Federation of Journalists opposed the cuts. According to journalists working for Metro Holland, four more journalists had to go, reducing the staff to eleven. At the end of the month negotiations between Metro and NVJ broke down and a strike was announced, but after new negotiations this was called off—until May 2002 there would be no staff cuts. In January 2002 the Swedish editor in chief Sakari Pitkänen was appointed chief editor in Holland.

**Metro Boston: publicity problems**

In January 2005 Metro International and the *New York Times Company* (owner of the *Boston Globe*) announced a joint venture for *Metro Boston*, with the NYT Company owning 49 percent of the shares. The *Boston Herald* filed a complaint because the deal prevented fair competition in their view. The US Department of Justice later found no anti-trust violations. Blogger Rory O’Connor (through mediachannel.org and roryoconnor.org) broke the story that racist remarks were being made at *Metro* meetings. At a meeting in Rome in 2003, Steve Nylund, Metro’s North America executive told a joke beginning with: ‘There were two niggers standing by a pool, and they took their dicks out’ (a Richard Prior joke from the early seventies). In August 2002 Metro executive Hans-Holger Albrecht hosted a Stockholm meeting and started with ‘Good evening, Ladies, Gentlemen and Niggers’, referring to a 1962 speech by German president Heinrich Lübke, who addressed a crowd in Liberia with ‘Meine Damen und Herren, liebe Neger!’

The news broke on January 10, and *Metro* decided three days later Albrecht had to go. Nyland, who first denied telling the joke, but later admitted translating a joke handed to him by another executive, also had to step down from his position, although he stayed with *Metro*. After that, public accusations made by several ex-Metro employees about a racist and sexist corporate culture in the company were made. *The Boston Herald* published news items on racism, anti-trust problems, readers and advertisers boycotts, porn peddling (by another Kinnevik company) and involvement in a corruption scandal in Guatemala. The Boston deal was ‘reviewed’ by the NYT Company but completed a few months later.

**France: clash with trade union**

*Metro* entered the French market in February 2002 in Paris and Marseille. The introduction was met with great resistance by trade union CGT and led to a newspaper war, which lasted for more than a month which included attacking hawkers, violence against truck drivers and the destruction of papers. Because the union prevented printing at the *Le Soir* printing plant, *Metro* printed first in Luxemburg. In Marseille a police escort was needed to get the papers from
the printing plant. A general press strike announced for February 25, however, didn’t take place. Peace evolved after negotiations between Metro and the unions. The paper would be partly printed on CGT-controlled presses (under union controlled conditions) by Le Soir. Distribution, however, was not organized in the way the unions wanted, and also they did not succeed in postponing the launch any longer.

Analysis

In contrast to the interviews and annual reports, the achievement motive is not often found in the crises-material. In the Dutch case, almost everything is centred on power: over content, design and staffing. The ‘Anglo-Saxon management culture’ is blamed for negative developments, measures by Metro International are called ‘totally unacceptable’ while Metro is called to ‘commit itself to higher quality and to good relations with its editorial staff’. Statements like ‘whatever we say, we are not taken seriously’ and ‘everything has to be done like they do it in Sweden’ make it clear a huge conflict has to be solved. Also the announcement of a strike and the stepping down of several editors can be understood in terms of a power struggle. The exception is an interview with the new (non-Dutch speaking) editor in chief, who tries to be much more friendly and peaceful (affiliation) but refers also to the quality of the paper (achievement).

In the Boston crisis the affiliation motive takes over. The company is seriously attacked and fears the deal with the NYT Company will be cancelled. The first denials don’t seem to have the desired effect; on the contrary, the publicity moves from blogs to competitors (Boston Herald, New York Post) and later to joint venture partners the New York Times and the Boston Globe. An article in this last paper (January 26, 2005) with the title ‘A hard look at Metro’ is something like a final blow. Focus shifts from the two incidents to the more fundamental problem of a racist and sexist culture:

Three discrimination complaints in 18 months is an unusually high rate for a company of only about 45 people, said Harvey A. Schwartz, an attorney with Rodgers, Powers & Schwartz, a Boston employment and civil rights law firm. He said most start-ups get just one complaint, if any, at the beginning, then quickly learn from it. Even one discrimination complaint a year for a small company could indicate serious problems, he said. “It should trigger alarm bells,” he said. “Not every complaint is valid, but the fact that many people are complaining in a short time indicates a need for some training.”

Metro moves from silence (‘No one is going to be available to talk to you on that story’) to denials and explanations (‘officers of Metro International made public statements quoting other people who had made racially disparaging remarks’) to half-hearted and real apologies (‘Nevertheless, I deeply regret having offended anyone and I apologize’; ‘While these isolated remarks do not in any way reflect the views of the company, Metro nevertheless apologizes for
them. Neither incident should be viewed as a commentary on the commitment to diversity and tolerance of Metro International’).

Metro is forced to show its regrets in many ways: Nyland and Albrecht are ‘rebuked’ and ‘reprimanded’ and step down from their positions, a corporate social responsibility program is supervised by sub-committee of the Board of Directors, while representatives of Metro ‘have been meeting with members of Boston’s minority communities to discuss their concerns’. Crawling, however, is not something Metro is very good at, the achievement and power motives are never far away. When Metro chairman Carlund apologizes for the problems in the US and another similar incident in Spain, he attributes the problems to Metro’s rapid growth and ends with ‘those people were terminated’. In the ‘Financial results for the second quarter and six months ended 30 June 2005’ the disappointing results for Boston were attributed to ‘a damaging public relations campaign waged against the company’ while Carlund writes in the annual report 2004: ‘some challenging circumstances have confronted Metro’s US businesses. These held back somewhat the financial development of Metro in the US in the first few months of the current year.’

In the French case power (in the form of emotions, conflict, strong forceful actions, influence and persuasion) is prominent, but is displayed not by Metro but mostly by its adversaries. Papers are destroyed and hawkers are attacked. Strong language is used by trade union CGT: ‘cannibals’, ‘torpedo’s aimed at the daily press’, ‘pirates’ etc. A CGT-leaflet contained a picture of Metro used as a hamburger wrap. Paid newspapers react in a similar way: Le Monde speaks of the ‘death knell for quality journalism’, Libération warns the reader to be ‘beware of imitations’ while L’Humanité calls the free paper journalism ‘fast food information’. Metro itself is silent for most of the time and tries to negotiate with CGT (affiliation). Trouniard (2004) developed a model for strategic responses to conflict that moves from from passive (acceptation, compromise, evasion) to active (contestation, manipulation). She concludes Metro mostly employes active strategies in this conflict.

Discussion

When statements made in normal circumstances (interviews, annual reports) from Metro International executives are analyzed, it results in a clear picture. The achievement motive is most prominent as the success of the company is repeated over and over again. The company paints a picture of Metro that could be very convincing to shareholders, investors, employees and the public: achievements are highlighted - notwithstanding the fact that the company as a whole does not make profits; setbacks and problems are toned down or ignored. In conflict situations this pictures changes dramatically: although the achievement motive is never very far away; in a conflict the power motive is far more evident, while the affiliation motive is expressed only under severe pressure, as a last resort and very reluctantly.
The difference between the two outcomes (achievement motive in annual reports and interviews vs. power and affiliation motives in crises) can be explained by the fact that Metro is in control of the situation in interviews and their own reports. In the company’s culture there is apparently little room for other motives. In a crisis, somebody else is calling the shots, Metro has to adapt to circumstances and apparently the company does not feel very comfortably in that position.

Winter (2002: 135) states that the three motive-model can be reduced to a two-dimensional model by making high or low affiliation one dimension and distinguishing on the other hand between a position were achievement is higher than power and vice versa. In such a model Metro ends in a position with low affiliation and achievement more important than power. In a political world this could lead to restlessness and even rigidity.

The leadership style in Metro International seems to be instrumental for the company’s success. Management expresses power and achievement to a great extent even if they have a more reserved attitude in crises than under normal circumstances. The management appears mainly as an entrepreneurial management, independent of whom in the top we study.

An empirical question arising from this analysis is whether the model can be used to predict the company’s future behaviour and possible problems. On the basis of the material, it could be argued that Metro under Stenbeck and Törnberg indeed started as a risk-taking entrepreneurial organisation with an idiosyncratic style (Tunstall, 1996) and that many characteristics are still visible. Winter (2002) predicts that such an approach could be problematic for larger companies – and the data analysed here contains some examples of these problems.

We are, however, not sure that the model is applicable in a business environment without modifications. The model offers the possibility to distinguish between different motives of leadership in an empirical and systematic way. But use in a non-political situation is maybe problematic. Also the use of different materials can lead to different conclusions. When biographical material (speeches, diaries) or interviews are used there is a definite bias towards a ‘desired’ motive structure. Other material might not reveal motives that the leader would want us to see, but motives as they are perceived by others. On the other hand, the diversity of the material also give us a more complete picture of how the company sees itself and is seen by others – which might be more balanced than a picture only based on self-controlled material.

Further research should try to broaden the picture even more, by adding more material from the company itself (memo’s, strategy documents, minutes of meetings) and also find more objective indicators for ‘success’. Including material on other companies engaged in similar operations could also lead to more robust results.

In the material, little points in the direction of management by fear in a Machiavellian way. That can mean at least two things: the management style in
Metro is not management by insult or fear, or, the management could still have a more or less Machiavellian leadership style, but hidden for the outside world.

References


Free Dailies: Success the Machiavellian Way?


Leadership Characteristics in the Graphic Arts and Media Sector

Anastasios E. Politis

Abstract

Leadership at sector and in particular at international level is considered an issue of increasing significance nowadays. As globalisation overcomes national borders with cross-border and cross-sector business activities, companies, employees and management are asked to operate and perform in a multinational socio-economic environment.

One issue that has received little investigation is leadership at sector level. Traditionally, leadership at industrial sector level has been shaped through representation by trade unions and employers' federations at national, federal, international and continent levels. Other forms of international representation of a sector may emerge as well, including organisations with various subjects of interest such as education and research.

This paper examines the leadership characteristics for the graphic arts and media industry, specifically at the sector level, since it regards the international organisations of the sector under review as operating at international level are examined.

The main objective of this paper is to explore whether leadership is a matter of importance for sector organisations at international-European level. An additional investigation explores the characteristics and competences of leaders at sector level.

A survey of associations and organisations of the graphic arts and media sector indicates that indeed leadership is important to the efficient representation of the sector at international level. The paper concludes with an initial description of the characteristics and competences of leaders positions at sector level. However, further study is required for a more precise definition of the types and structures of the international – European organisations of the sector, and their leadership requirements.

Introduction

The internationalisation of production processes, services and markets is growing significantly, leading to the formation of a new, more complex and multinational socio-economic environment. Companies, employees, entrepreneurs and managers must work and perform within this environment.
Equally, leaders must also perform in this environment, and adapt their managerial strategies.

A great deal of research has been conducted into the subject of leadership. The vast majority of these studies pertain primarily to leadership at company level and secondly to governmental organisations and authorities in the public domain. Several models and systems for the application of leadership concepts at company and governmental levels have been proposed by researchers, and these tend to be strongly associated with management and human resources management and development (Walton, 1999).

One issue not widely investigated is leadership at sector level. This is traditionally carried out by established sector organisations and/or associations that operate at national, federal, international and continent levels. Such organisations represent a specific group of firms in a sector and manage its relations to other organisations within and beyond the sector’s ‘borders’. The tasks of the organisation that leadership needs to take responsibility for include contact and interaction with other sectors, governmental and public bodies, the representation and promotion of the sector, to support the development and defence of the rights of the organisation.

This study investigates whether leadership is important for the graphic arts and media industry at sector level. Since globalisation and internationalisation appear to be more and more dominant, the ability of an industry to present itself and operate as a single body would seem to be increasingly significant, and therefore it would seem to be an important challenge to investigate leadership requirements in the graphic arts and media industry. In addition, it may be useful to investigate the roles leaders play in promoting innovation and organisational renewal within this sector.

A prerequisite for such research is a survey of existing organisations representing the sector internationally. This will provide information on the status of these organisations and their leadership requirements, and therefore must investigate the types and the structure of the organisations representing the sector at international level.

It is also necessary to examine the characteristics of the people holding leadership positions at sector-international level as well explore the ideal competence profile for such positions.

**Terms and definitions**

When research involves different technological and industrial areas, it is important to ensure that terms and definitions are used consistently, since similar terms in different contexts can have different meanings.

This study uses the term ‘graphic arts and media’ to describe the traditional graphic arts, printing and publishing industry (Comprint, 2002). The term therefore covers the traditional graphic arts sector which is involved mainly in the production of print media and includes the totality of communication...
services, combining design and aesthetic elements, production processes, information management and distribution services, and expresses the entire spectrum of the sector as it exists today (Politis, 2004). This sector is understood as part of the wider information and communication industries, which includes print media, entertainment and the fine and applied arts. This is considered separate to broadcasting, television and other electronic media - since in some European countries the term media is used to describe electronic media, including TV and video broadcasts, only (Juhola and Lindqvist, 2000; Rosenqvist, 2000).

The research field
The survey focuses on the typical structure and characteristics of organisations in this sector that operate at an international – European – level:

- The European confederation of employers’ federations.
- The European confederation of trade unions.
- International educational networks-associations.
- International research associations

The principal characteristic of these organisations is that their membership consists of other organisations or associations – such as national organisations. These types of are briefly discussed and analysed in the literature and background study.

Methodology
The research involved both a literature review and a questionnaire on the representation and leadership characteristics of the sector at international level.

Questionnaire
Questionnaire was designed to gain information on the effectiveness of the representation of the sector and the leadership characteristics and competences possessed by individuals who hold leadership positions in sector organisations functioning at international level. It had two sections.

The first section had four questions. Question 1 concerned leadership and its importance at sector level for the graphic arts and media sector, Question 2 concerned the efficiency of representation at international - European level by the existing organisations of the graphic arts and media sector and Question 3 concerned the prominent nature of representation of sector at international-European level. Question 4 dealt with the involvement of manufacturers in leadership in the graphic arts and media sector. More specifically the opinion of
the respondents was asked regarding the importance of the participation of manufacturers in the sector’s affairs internationally.

The second section had two questions. Question 5 concerned the definition and classification of characteristics of people who represent the various organisations/networks of the sector at international level ranked by degree of importance. Question 6 was on the ideal competences of efficient leaders at sector/European level.

The questionnaire was sent out to selected organisations; international organisations-confederations operating at European-international level, the Employers’ Federations and Trade unions and experts of the sector. Because the goal of the survey was to obtain information from those already in leadership positions in sectoral organisations at national or international level and who possess experience in matters concerning the development of the sector, questionnaires were sent out to the five European-international confederations - associations of the graphic arts and media sector:

- Intergraf (The International Confederation for printing and allied industries).
- UNI-Europa Graphical (The confederation of the national trade unions associations of the printing, graphic arts and publishing industry in Europe).
- EGIN (European graphic/media industry network).
- IARIGAI (The International Association of Research Institutes for the Graphic Arts Industry).
- International Circle (The Network of the Educational Institutes for Graphic Arts Technology and Management).

A further eight questionnaires were sent to national organisations of employers’ federations, five to national organisations of trade unions and ten were sent to selected graphic-media experts in Europe. Table 1 provides the responses according to type of organisations or experts:
Table 1: Types of organisations surveyed, numbers of questionnaires sent and received

<table>
<thead>
<tr>
<th>Types of organisations</th>
<th>Number of questionnaires sent</th>
<th>Number of questionnaires received</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Confederations-associations (Intergraf, UNI-Europa Graphical, EGIN, IARIGAI, International Circle)</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Employers’ Federations</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Trade Unions</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Graphic-media experts</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>28</td>
<td>17</td>
</tr>
</tbody>
</table>

The percentage of responses was satisfactory (seventeen responses received out of a total of 28 that were sent out - 60.7%). Surprisingly, not a single national trade union responded to the questionnaire, whereas the European confederation of trade unions did answer. In contrast, seven out of eight employers’ federations responded.

Excluding the five responses from the international organisations (Belgium, Germany, Finland and The Netherlands), responses by employers’ federations and experts were received from Denmark, Finland, Greece, Switzerland, The Netherlands, and the UK.

The results of the survey were further analysed and combined with the findings from the literature review. The conclusions from this can be found in the conclusions section of this paper.

**Literature review**

The literature review focused primarily on surveys of the structure and characteristics of the graphic arts and media sector, as well as analysis of the types of organisations in the sector. The study focuses on leadership characteristics at sector level and only a limited number of references could be found on this issue. These were not directly taken account of in the paper, but were used as a guide to describe the competences and skills for leaders included in the questionnaire. The core findings of the literature review can be found below.
A brief analysis of the graphic arts and media sector (print-media oriented)

The printing industry has traditionally put information on to paper products, whether to inform or for pleasure. The main challenge for the future is to ensure the successful integration of the printing industry into the global 'communication' system. The industry is characterised by small and medium-sized firms who have always combined creativity with industrial production. As a user of paper and board, the printing industry can be seen as an important downstream activity of the 'wood cluster' which comprises the forest industry, paper-making, printing, packaging, graphic communication and publishing industries (EU, 2002).

Today, the graphic arts and media sector is coping with structural changes caused by rapid technological developments. These developments affect not only production but also the structure of the enterprises, the products, and their market position. There is a noticeable move from being manufacturing oriented to being service oriented (Hancock, 1998; Comprint, 2002).

However, further progress and developments in graphic arts and the media are also dependent on parallel developments in other related sectors. Potentially important factors include the development of electronic media, the formation of new structures for production workflows and management, the working environment and the changes caused by other sectors such as information technology (Comprint, 1998; Pira, 1999).

It is likely that the print media will retain their importance in the foreseeable future. According to the majority of speakers at a conference on the future of paper as a communications medium organised by the Swedish pulp and paper research institute – STFI (Skogsindustrins tekniska forskningsinstitut), 'Paper, by its nature, has its value and a close relationship with people and it is difficult to replace it with a nonmaterial medium' (STFI, 2001).

The organisational structure of the graphic arts and media sector

The representation of this sector is normally dominated by trade unions and employers' federations. Other types of organisations offering representation are educational and research organisations, as well as organisations established for specific purposes of interest to their members. These organisations defend the rights and promote the interests of the sector towards other players in other sectors, and towards public and other authorities and governmental bodies.

Generally speaking, the traditional forms of operation and establishment of organisations apply. Kipphan (2001) classifies the associations and institutions in the sector into the following categories and subcategories:
Leadership Characteristics in the Graphic Arts and Media Sector

- Associations and Organisations in the Printing and Publishing Industry (Associations and Organisations (Trade unions and Employers’ Federations), Industrial Joint Research;
- Research Associations and Educational Institutions for the Graphic Arts Industry (Universities, Research Institutes and Research Centres, Institutions for Teaching/Training and Education);
- International Conferences for the Graphic Arts Industry.
- Employers’ federations and Trade unions

The sector is organised according to the long-established structure of organisations representing the interests of the owners of the companies (employers’ federations) and the employees (trade unions). These organisations exist at national level, comprising in some countries more than one organisation and representing different groups of employees or employers or entrepreneurs at national level. Trade Unions and Employers’ Federations form confederations at international or continent levels; for the graphic arts and media sector in Europe these organisations are Intergraf - the International Confederation for printing and allied industries (Intergraf, 2005) and UNI-Europa Graphical, the confederation of the national trade unions associations of the printing, graphic arts and publishing industry (Uni-Europa Graphical, 2005).

Research Associations and Educational Institutions

Other types of organisations representing the sector are the educational and research organisations. In addition, a wide range of organisations, networks and associations is to be found, both profit and non-profit, established for specific purposes on various subjects of interest to their members. Using Kipphan (Kipphan, 2001), the following list was drawn up of associations and organisations that support industrial partners within the scope of industrial joint research projects – especially projects dealing with topics of particular significance to the graphic arts industry: This list is incomplete since it includes only a selection of organisations operating at international level. Many organisations are missing, especially those from the USA, Canada, Asia and Japan. However, the intention was not to list all organisations, but rather to indicate the wide range of organisations operating internationally within the graphic arts and media industry.

- CEPI, Confederation of European Paper Industries.
- EFTA, European Flexographic Technical Association.
- EGIN, European Graphic/media Industry Network
- EUREPRO, International Association for Prepress Industry.
Results of the questionnaire

Results were developed by rating the majority of responses to each question. In order to produce a result for each response the number of replies expressed in percentage form was taken into consideration. Moreover, for Questions 5 and 6 a majority tally from the total responses for each group was used. A summary of responses is presented in the text that follows.

For Question 1 (on the importance of leadership at sector level), all 17 respondents answered that leadership is indeed a matter of importance for the sector (yes, and possibly yes).

For Question 2 (on the efficiency of graphic arts and media sector representation at European-international level by existing types of organisations), the same result (yes, and possibly yes) was reported by all 17 respondents.

For Question 3, the vast majority of the respondents rated employers’ confederations and trade unions confederations as the most prominent organisations for the representation of the graphic arts and media sector at European-international level. Educational associations follow with a smaller percentage, with research associations in the last position. Table 2 illustrates the percentages of responses provided by the three types of respondents for the four types of organisations.
Leadership Characteristics in the Graphic Arts and Media Sector

### Table 2: Percentages of responses received by organisations

<table>
<thead>
<tr>
<th>Question 3 – answers</th>
<th>European confederations-associations (respondents)</th>
<th>Employers’ federations (respondents)</th>
<th>Graphic-media experts (respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employers’ confederations</td>
<td>80 percent rate as prominent representative</td>
<td>86 percent rate as prominent representative</td>
<td>80 percent rate as prominent representative</td>
</tr>
<tr>
<td>Trade unions confederations</td>
<td>80 percent rate as prominent representative</td>
<td>71 percent rate as prominent representative</td>
<td>80 percent rate as prominent representative</td>
</tr>
<tr>
<td>Research organisations/associations</td>
<td>20 percent rate as prominent representative</td>
<td>57 percent rate as prominent representative</td>
<td>20 percent rate as prominent representative</td>
</tr>
<tr>
<td>Educational organisations/networks</td>
<td>60 percent rate as prominent representative</td>
<td>57 percent rate as prominent representative</td>
<td>60 percent rate as prominent representative</td>
</tr>
</tbody>
</table>

For Question 4 (on the importance of the involvement of manufacturers in leadership in the graphic arts and media sector), the majority of respondents stated that this participation is relatively important (60 percent, 43 percent and 60 percent by the European confederations-associations, employers’ federations and graphic-media experts respectively) whereas the participation of manufacturers is considered important by 20 percent, 29 percent and 20 percent and equally not important by 20 percent, 29 percent and 20 percent of the European confederations-associations, employers’ federations and graphic-media experts respectively.

For Question 5 (on the characteristics of people who represent the various organisations/networks of the sector at international level rated by degree of importance), there were negligible differences among the three groups of respondents, if a few divergent opinions from International confederations-associations and employers’ federations on one side, and experts on the other are excluded. Detailed findings on the characteristics of people who represent the various organisations/networks in the sector at international level are:

- Being an experienced trade union officer and being an experienced employers’ federation officer is an important characteristic for the European confederations-associations, and a relatively important one for the employers’ federations, whereas it is considered unimportant by graphic-media experts.
- Being a lawyer is regarded as unimportant by European confederations-associations, employers’ federations, and totally unimportant by experts.
- Possessing a technical and managerial background in the graphic arts industry is considered important by European confederations-associations and employers’ federations, and as relatively important by graphic-media experts.
Working in the sector internationally and being in a leadership position in a company is considered important by all three groups of respondents, whereas being in a leadership position in a supplier/manufacturer was found to be unimportant by European confederations-associations and employers' federations and as relatively important by graphic-media experts. A relatively important characteristic is being a researcher/expert and an expert on a specific subject of the sector as reported by all three groups of respondents, with the exception of employers' federations who consider this an unimportant characteristic.

Being a generalist within the sector was again reported as important by European confederations-associations and employers' federations, and as relatively important by graphic-media experts.

For Question 6 (regarding the appropriate competences of a person possessing leadership position at sector level for efficient leadership at sector/European level) generally responses were more similar among the three groups of respondents, in comparison with the findings from the previous question.

As regards the importance of various competences most of them were reported by all three groups of respondents as important or relatively important. These are a deep knowledge of the complex structure of graphic arts and media, the ability to create a vision and provide strategic thinking for the development of the sector, the motivation of directors and/or stakeholders and the coaching of officers of an organisation towards the implementation of a vision for the sector, the ability for strategic planning and creation of business plans for the development of the sector, and the ability to communicate and interact with other people as well as the creation and maintenance of useful/effective relationships, public relations and lobbying.

On the other hand, organisational and managerial skills were found to be relatively important by all three groups of respondents. Teamwork and decision-making capability were evaluated as important or relatively important by European confederations-associations and employers' federations, and as relatively important by graphic-media experts.

Finally, marketing skills were reported as unimportant by European confederations-associations and graphic-media experts and as relatively important by employers' federations.

**Discussion**

Broadly speaking, the findings of the questionnaires received from the three groups of respondents reveal that leadership at sector level is indeed a matter of importance. However, the subject appears to cause a certain degree of difficulty, since it can have various interpretations and can be considered from different perspectives. Furthermore, it seems that the orientation of the respondents influences their position on the subject.
An alternative procedure would be to investigate leadership at sector level by classifying international organisations according to their specific subject of interest. It is however useful to note that respondents do consider that existing organisations are capable of adequately representing the graphic arts and media sector at European-international level.

With regards to the involvement of manufacturers in leadership in the graphic arts and media sector, the survey reveals that their participation is considered relatively important by the majority of respondents. A surprising result is the finding that the involvement of manufacturers in leadership is evaluated as not important by a considerable percentage of the respondents. This consideration seems to be in contrast to that in other industrial sectors – for example the Information Technology (IT) sector, where manufacturers play a rather significant role (Career-Space, 2001). In addition, this response seems to ignore the contribution of manufacturers to the development of the sector, mainly through contributions regarding education and training. However, seeing the participation of manufacturers as relatively important in the representation of the sector internationally could result from the view that the interests of the manufacturers and the sector are dissimilar at this level of representation.

The findings from responses on the characteristics of people, who represent the various organisations/networks of the sector, and the appropriate competences of persons possessing leadership positions for efficient leadership at sector/European level, reveal that most of them, as presented in Questions 5 and 6, are considered important. This is especially true of social and communication competences as well as characteristics having to do to relations with other people at different levels.

The most important finding however is that leaders at sector level should possess a mixture of all characteristics and competences (Question 6). It matters little whether one competence or characteristic is missing. Nonetheless, the listing of characteristics and competences is far from complete. According to the vast majority of responses, people who possess a mixture of competences and, in particular, personal characteristics are able to exercise efficient leadership.

Conclusions

Based on the findings of the literature study on the types and structures of sector organisations related to the graphic arts and media industry, one can say that there is a wide range of organisations operating at European-international level within the sector. The traditional forms of organisational structure at national, state and federal levels are long established, together with the sector organisations at continent and international levels.

The questionnaire shows that leadership is indeed an important issue for the representation of the graphic arts and media sector. In addition, the analysis of the characteristics and the development of the sector within the media industry
reveal that structural changes are taking place, together with the reorientation of the print media towards new areas. These developments affect the sector as a whole, producing a need for continuous monitoring of the changes, and the application of re-orientation strategies.

Moreover, an increasing number of interactions at sector level can be identified, even though these are to be found more at company level. Since the European Union today implements numerous laws and regulations, international interactions are increasing, both within the sector and with other players outside the sector. The conclusion from this development is that there is indeed a need for the efficient representation of the industry at European-international level. As a consequence, people who are taking leadership positions at sector organisations need to possess appropriate competences in order to efficiently lead an organisation and contribute to its effective international presence.

The study’s objective of defining the personal characteristics and competences of leaders at sector level has been fulfilled only to a limited degree. Perhaps due to the lack of sufficient theoretical literature study, the description of characteristics and competences as presented in Questions 5 and 6 is somewhat incomplete and needs to be further defined through the support of a more appropriate literature as well as further study on the subject.

This is not to say, however, that the description of characteristics and competences could not result in the creation of a leadership profile at sector level for the graphic arts and media industry. Indeed, the survey has led to the finding that most of the characteristics and competences described are useful for a leader at sector level. In particular, a comparison of leadership requirements at company and sector level would be a good point for further investigation.

In any case, the final conclusions drawn from the study conducted can be regarded as an initial approach to the subject of leadership at sector level for the graphic arts and media industry and its representation at European-international level.

**Future study**

An interesting topic for further investigation is to define in more detail the leadership attributes of persons as regards tasks relating to the promotion of the sector and the defence of the sector’s interests and rights, primarily towards other sectors with possibly conflicting interests, as well as towards policies developed and determined by the European Union and the commission which might affect the sector.

In addition, it might be interesting to conduct a comparative study on the types and organisational structures of the international associations operating at sector level for the graphic arts and media industry. A more detailed classification of these organisations might also be useful, with a view to
Leadership Characteristics in the Graphic Arts and Media Sector

describing the range of activities of organisations and their impact on the development of the sector in general.

References


Comprint, (2002). The horizon of print and publishing-opportunities in the Media economy: Comprint International Report, IBI, Düsseldorf in cooperation with the University of Wuppertal and Intergraf, Belgium.


Appendix

QUESTIONNAIRE FOR LEADERSHIP CHARACTERISTICS FOR THE GRAPHIC ARTS AND MEDIA INDUSTRY AT EUROPE - SECTOR LEVEL

Type of the organisation:
Research organisation, Trade union, Employers’ federation, Educational organisation, International network

Question 1:
Until today, leadership is a matter of importance for the companies. Do you think that leadership can be a matter of interest at sector level as it regards the graphic arts and media sector?

YES, POSSIBLY YES, POSSIBLY NO, NOT AT ALL

Question 2:
The sector is represented today by various types of organisations such as employers and employees confederations, educational networks, international associations, etc. oriented at specific subjects and interests. In general, do you consider that the range of this representation is sufficient for the sector (i.e. covers the sector efficiently) at Europe/international level?

YES, POSSIBLY YES, POSSIBLY NO, NOT AT ALL

Question 3:
In your opinion, which type of organisation/s represents more properly the graphic arts and media sector at international/European level? Please answer by rating with the scale 1-5 (where 1= the most prominent representative and 5= the less prominent representative.

Employers’ confederations 1( ), 2( ), 3( ), 4( ), 5( ).
Trade Unions confederations 1( ), 2( ), 3( ), 4( ), 5( ).
Research organisations/associations 1( ), 2( ), 3( ), 4( ), 5( ).
Educational organisations/networks 1( ), 2( ), 3( ), 4( ), 5( ).
Other, please indicate: ........................................................................................................................................
Leadership Characteristics in the Graphic Arts and Media Sector

Question 4:
In other industrial sectors (such as in the information technology – IT sector), manufacturers and leading companies are playing a significant role in leadership towards other sectors, governmental bodies and authorities, the EU etc. How do you consider the involvement of manufacturers as part of leadership in the graphic arts and media sector?

IMPORTANT, RELATIVELY IMPORTANT, NOT IMPORTANT, NOT IMPORTANT AT ALL

Question 5:
In your opinion, which should be the characteristics that people, who represent the various organisations/networks of the sector at international level, should possess (people that are directors, managers or officers at the organisations)? Please answer by rating with the scale 1-5 (where 1= most important and 5= less important).

- Being an experienced trade union officer,
- Being an experienced employers’ federation officer,
- Being a lawyer,
- Possessing technical background in graphic arts,
- Possessing management background in the graphic arts,
- Being working in the sector internationally,
- Researcher/expert,
- Being in leading positions at a company,
- Being in leading positions at a supplier/manufacturer,
- Being expert at a specific subject of the sector,
- Being a generalist within the sector.

Question 6:
In your opinion, which should be the competences for the person possessing leading positions at sector level for efficient leadership at sector/European level? Please answer by rating with the scale 1-5 (where 1= most important and 5= less important).

- Deep knowledge of the complex structure of the graphic arts and media industry,
- Capability to create a vision and provide strategic thinking for the development of the sector,
- Capability to motivate directors and/or stakeholders and coach officers of the organisation towards the implementation of a vision for the sector,
- Ability for strategic planning and creation of business plans for the development of the sector,
- Capability for communication and interaction with other people,
- Creating and maintaining of useful/effective relationships,
- Public relations, lobbying,
- Organisational and management skills,
- Teamwork capability,
- Decision-making capability,
- Marketing skills.
Part II
Emerging Challenges
The Normative Challenge: Balancing the Long-Term Social Capital Created by News with the Demand for Short-Term Profit

Lee Wilkins

Abstract

Institutional-level analysis suggests that news provides democratic societies with an essential social good. Further, there is no other societal-level institution that can provide this good, should quality journalism be sacrificed for the goal of short-term profit. World-wide trends in media economics and technology have left managers confused about the value of news journalism, particularly because it cannot be as profitable as some other elements, for example entertainment divisions, of media conglomerates. This essay suggests that media managers evaluate the economic health of their news division on something other than a short-term basis because news, in a democracy, is a long-term investment.

Introduction

Today’s media conglomerates own entities that cannot in their entirety be categorized as news organizations. Because of this conglomerated nature of media companies, news organizations — as subsets of larger corporations — are treated much the same in a business sense as are other corporate subdivisions. While there is some agreement among scholars that media organizations themselves are somehow different, in a business sense, than businesses such as manufacturing, it is the contention of this essay that the news business is distinct from even other media enterprises. The normative and ethical implications of those differences for corporate managers are then explored.

The institutional and normative role of news in a democracy

Scholarly literature has examined media organizations in many different ways and at many different levels. Among the oldest of these analyses is an institutional one. This body of literature sets media institutions among other institutional players in society, most prominently government, the church, and individual actors in any cultural and social system (Seibert, Peterson & Schramm 1956). It then seeks to articulate how institutional forces influence one another; when the media become the focus of attention, such scholarship pays particular attention to how media content reflects contemporary understandings of truth, how media institutions promote or counter political
institutions, and how other institutions charged with the ‘making of culture’, for example the church or more recently the entertainment industry, make use of and are influenced by media content. More recent works have noted that such institutional analysis also must consider the economic factors influencing media actions at the institutional level (Bagdikian, 1992; McChesney 1993; Bogart 1995). While this institutional approach allows for scholars to track changes in the relative power and influence of media organizations, and to more deeply understand the influences on those organizations, institutional analysis has always included a normative undertone (Nerone, 1995). Much recent scholarship has focused critically on this normative dimension, concluding that current economic trends have the power to circumscribe the institutional role of the mass media in the political system (McChesney, 1999, Baker, 2002). This strain of scholarship contends that by focusing corporate attention on economic outcomes — profit and loss and the subsequent changes in media content that focus promotes — economics has overwhelmed the other significant institutional functions of the mass media, particularly the news enterprise. Chief among those functions is the relationship between news organizations, and hence the profession of journalism considered at the institutional level, and the continuing functioning of a robust democratic society, in other words political institutions.

This essay accepts this normative foundation as a starting place. As Canadian scholar Stephen Ward (2004: 9-10) has noted:

*Journalism at its best is one of the arts of democracy. Journalists provide the news and analysis by which a society communicates with itself, allowing it some measure of self-government….Journalism at its worst is the art of the demagogue and the despot. It is the propaganda tool of powerful interests that subvert popular self-governance by manipulating the channels of information.*

Ward’s analysis is hardly new. In when French sociologist Alex de Toqueville visited America in the early 1800s in an attempt to explain the American experiment to his European, particularly French, counterparts, de Toqueville noted the need for a *locally-based* (my emphasis) journalism that simultaneously acted as a check on government while creating and sustaining an emerging community identity.

*When men are no longer united amongst themselves by firm and lasting ties, it is impossible to obtain the cooperation of any great number of them, unless you can persuade every man whose concurrence you require that his private interest obligates him voluntarily to unite his exertions to the exertions of all the rest. This can only be habitually and conveniently effected by means of a newspaper; nothing but a newspaper can drop the same thought into a thousand minds at the same moment….Newspapers therefore become more necessary in proportion as men become more equal, and individualism more to be feared.* (deToqueville 2000: 636)
Later in the same work, de Toqueville specifically criticized America’s emerging love of wealth, connecting it to the highly individualistic nature of American culture and noting that such a focus had the power to undermine both local community and larger polity. De Toqueville, like most of the scholars who wrote after him, did not regard wealth itself as inherently suspect but viewed the goal of aggregating wealth as capable of straining the other social and civic institutions that he believed were necessary for continuing democratic functioning. For de Toqueville, citizens needed to create politically-oriented institutions to check two significant American tendencies — the excesses of egalitarianism he found in the American character (an individual-level effect) and overseeing other power social actors. In other words, de Toqueville believed that institutions were powerful on two levels — at the level of the individual act and at the level of systemic check and balance. He, like Ward and other scholars in the ensuing two centuries, clearly saw the mass media, and particularly its journalistic functions, as central check on power in both arenas.

**Democracies institutionalize the role of news**

However, these insights are not merely academic. Democracies, in various ways, have successfully enshrined this link between the journalistic function of the mass media and the continued flourishing of the democratic state. There are multiple examples of such efforts. Among the best known internationally is the First Amendment to the US Constitution, which prohibits Congress and other political bodies from restricting political speech, including that found in the media, Britain’s funding of the British Broadcasting Corporation to ensure one channel for political discourse (an approach that has been widely followed internationally), and Sweden’s approach, which uses tax dollars to support systems of media accountability while insuring that diverse political voices continue to reach the public sphere. These three approaches also continue to be ratified by their ‘home’ political systems in a variety of ways; in the US, primarily through the courts, in the UK primarily through precedent and continued government support, and in Sweden through continuing supportive public opinion as well as legislation.

The emerging democracies of eastern and central Europe, too, have adopted variations of these approaches. None of these efforts, of course, are perfect or without significant internal contradictions. But, in the US at least, these internal contradictions are a source of developing understandings rather than a wholesale movement to abandon journalism in favor of some other institution that would be better able to perform the same role. Indeed, most contemporary US scholarship assumes the opposite: that a truncated political role for the news media, one that is overwhelmed or diminished by economic considerations, spells trouble for democracy and all the institutions that thrive in it, including economic institutions (Fallows, 1996).
The conglomerated and multi-national nature of the six dominant media firms has made this reality — distinguishing the political and economic role of the news within organizations functioning in a hyper-capitalistic world economy — what philosophers call a ‘hard problem’ for citizens and regulators in individual nation states. But, what is not hard, in fact what has continued to be assumed regardless of country of origin or of political ideology, is that individuals and nations need a sophisticated system of information collection and distribution that informs the citizenry of government acts while simultaneously informing government of citizen response. In other words, democracies and economies need news. News informs not just individuals, but the various organizations — social and political groups as well as corporations — to which individuals belong. Democracies continue to need journalism — in fact better journalism — to continue to flourish at the institutional as well as the individual level. When democratic functioning founders, communication in the public sphere diminishes, becomes more homogeneous, and in the most extreme cases withers. History provides ample examples of this phenomenon: the British press in the early 1600s during the era of religious wars (Ward 2004), Germany in the 1930s, and, many nations confronting the moral and political problem of genocide (Power 2002). Democracy and news have an important symbiotic relationship.

The normative value of news

In sum, contemporary democracies continue to need journalism in an institutional sense. From the normative view, journalism produces a positive social good in democratic culture. Further, it appears that this good is essential to the continued functioning of democracy, and hence other institutions in democracy (McChensey 1999). Analyzed in this way, from an institutional perspective, there is no ready substitute for the institutional role that journalism plays. An aggregation in individual consumer preferences in terms of media content, in other words the bottom-line approach to media management that seems to prevail today, omits any consideration of this important, institutional-level role. The goal then, at least for transformational media managers, is to discover how to ‘value’ journalism at this institutional level. Transforming leadership requires that managers, their corporate supervisors and their journalistic employees, discover how they can value — in an economic sense — news for the long-term, institutional benefits it produces.

It’s also important to note that who manages media corporations, just as the corporations themselves, changed significantly in the last half of the 20th century. During the first half of the century, those who ‘managed’ media corporations, most of which were initially newspaper publishing companies, were journalists either by training or work experience. They most often focused on a single company with, at most, a small number of publications. As conglomerations began to dominate the field in the US, managers above the
Balancing the Long-Term Social Capital Created by News with the Demand for Short-Term Profit

level of executive editor (for newspapers) or news director (for broadcast affiliates) often did not have work experience or training in journalism. Some of them came from the advertising side of the house; others from business or business schools. These managers were organizationally more closely-linked with the upper echelons of large media conglomerates than the news organizations that, in many cases, those conglomerates had ‘taken over’ during the 1970s, 1980s, and 1990s. However, part of their role remained decisions about resource allocation in the news operation and profit expectation from that same part of the enterprise. Those with work experience or journalistic training tended to manage news divisions, but that is where their influence ended. None of the CEO’s of the six major international media conglomerates has any training or work experience in journalism. In addition, journalists lower in the corporate organizational chart, for example news editors or publishers, are subject to directions from ‘corporate’ regarding profit generation, etc. In this essay, the term ‘manager’ refers to those who control resource allocation in news divisions. The term journalist refers to those who either by training, work experience, or continuing daily assignment have, as part of their role, the production of news. This essay acknowledges that the distribution of power between these two groups is heavily weighted toward corporate as opposed to news division managers and goals.

The current climate: The changing relationship of individual audience members to delivery systems and content

While scholars consider those who read, watch and listen first as citizens, media managers often consider individual readers, viewers and listeners as audience members, or media consumers. Such a designation privileges the economic side of the house. But, from this viewpoint, media managers, particularly those concerned with news, are in real trouble. Consider the following well documented trends:

World wide, newspaper circulation is declining. This trend began in the US in the early 1970s, and for a long while, scholars connected it to the increasing reliance on television as a news source. Other contributors to the trend include changing lifestyles which left middle class readers with less time to read newspapers, particularly in the evenings, and a decline, particularly in the US, of the number of ‘two newspaper’ cities. Other findings that have been more loosely tied to this trend include the lack of traditional news coverage of women and minorities, hence those readers finding little in the newspaper that reflect them or their interests, and the lack of habituation of newspaper readership among younger (18 to 34 year old) readers. In the third quarter of 2005, newspaper readers in many major US cities declined by more than 8 percent, a number substantially above even the most current pessimistic predictions. The decline effected weekly US newspapers as well, and was compounded from a
economic standpoint by a decline in classified advertising, a major revenue
source for many US papers (Maloney 2005; Gillmor 2004).

World wide, television viewership is also declining, at least in terms of
viewership of television news. In the US, this problem became apparent in the
early 1990s, and was attributed to the penetration of cable television in most
media markets and the willingness of audience members to time shift news
viewing and/or to substitute entertainment programming for news.

The rise of the internet, and of a host of other technologies such as the cell
phone, that provide alternate delivery systems, has also been cited as a reason
for the decline in traditional news consumption. Currently, there is only
modest documentation of whether the internet is beginning to function as a
substitute communication channel for news, particularly for the 18 to 34
demographic. Much evidence is anecdotal, but some systematic studies, for
example of news consumption during the 9/11 event or during Hurricane
Katrina in the US, indicate that television still remains the transmission channel
of choice. Other evidence, however, suggests that the internet and other
technologies may be closing the gap when catastrophe and war are not the focus
of news coverage (Thorson & Duffy 2006). What is somewhat clearer is that
younger people, in general, do not yet see much value in news on a daily basis.
It is also clear that younger media consumers readily adapt to technology. The
fact that younger people are generally not what academics refer to as ‘heavy
news consumers’ is, again, not a new finding. The historic thinking has been
that, as people age and become more imbedded in social and political
community, their ‘need’ for news will increase, as will usage (McQuail 2005).

Whether the entertainment function of media content is replacing, in terms
of usage patterns, all or part of the demand for news is decidedly less clear. In
the US, for example, about 20 percent of young people report that they get
their political news from entertainment programming such as *The Daily Show*
on the comedy channel or from late-night television. While many have
lamented this trend, even this evidence indicates that young people still
demonstrate a need for political information content — it’s the way it is
packaged that seems to be undergoing the most change. Furthermore, young
people seem to define politics somewhat differently than their elders; again, this
is nothing new. There is a great deal of scholarly evidence to suggest that news
content, over the past 20 years, has become less focused on traditional politics
and community, has become more homogenized, and, at least in the US, does a
relatively poor job of covering the elements of local (Putnam 2000). There has
been less systematic study in Europe, where the print media are decidedly more
partisan, (for example it is possible to locate publications that characterize
themselves as either liberal, *The Guardian*, or conservative, *Le Monde*, in most
nations and in many media markets) and some broadcast channels, such as the
BBC, in established democracies or public broadcasting stations in many
nations, that have histories that suggest they have a somewhat less independent
Balancing the Long-Term Social Capital Created by News with the Demand for Short-Term Profit

relationship with the state. But, the overall trends remain clear, regardless of nation.

In addition, there are technological complications. World-wide communication, and a 24-hour-news cycle that is often global in scope, add to the mix. The shift from analog to digital technology has meant that some communication channels once considered separate — for example, the telephone and the television — are now just subsets of essentially the same process. Regulators in many nations are unsure of how to control, or attempt to control, both technology and content. The business side of most media corporations, however, is intent on getting the maximum return and synergy from these diverse holdings. Wedging journalism into all of this, discovering what content will migrate to the cell phone as opposed to remaining in the newspaper (or its web site) will require time and willingness to experiment without making the only criteria for success more profits this quarter than last.

The result of all these trends is, of course, both complex and complicated. Media conglomerates are increasingly focused on the economic short-term. Managers of those giants seem to understand their economic institutional role. However, there is much less consideration given to any other role — particularly institutional roles that are built over the long-term. Media conglomerates today find themselves with a short-term view of a long-term expectation of the role that news will play in a democracy — an expectation that has existed for hundreds of years in multiple nations. This short-term view is peculiar because, at least in the US, many media corporations are making a great deal of money — in the newspaper industry in excess of 20 percent profit per annum. The lack of a long-term vision that includes more than the short-term bottom line, something that journalists, by virtue of their connection with democratic functioning do seem to understand, prejudices owners and managers away from investment in a function that is, in many ways, remarkably inefficient, difficult to manage, and not easy to capture on a profit and loss statement. The superficial fickleness of audience preferences only exacerbates the problem. Yet, the normative issue remains. If democratic functioning is a positive social good, and if news — specifically journalism — contributes to that good, then it becomes obligatory on the part of corporate managers to find a way to sustain this important function or risk their own continued long-term existence. In the process, while journalism might not be as profitable as they might like, making money while doing journalism is also an important goal in the contemporary marketplace.

Not by accident, there is some guidance to be had in thinking through this complicated calculus. Some of it is based on the insights empirical research provides. Some of the rest of is based on more normative notions — the concept that news, in a democracy, is valuable in and of itself, and that the manager of practical wisdom (in Greek phronesis) will seek an organizational and economic balance that continues to promote the robust functioning of multiple media roles in a democratic society. One of the most important of the
roles will continue to be the provision of news, and it is to this issue that the prescriptive part of this essay now turns.

The institutional and individual functions of news

Just as the media have an institutional role vis à vis other institutions, news has a role in both individual life and in the life of institutions in which individuals participate. Among the most widely accepted are:

Surveillance. This function of the news media was first articulated by Lasswell (1948). More recent work in policy (see, for example, The 9/11 Commission Report, 2004) as well as experimental studies on individuals suggests that at the biological level, people may be ‘hard wired’ for news that fulfills this central role. Surveillance thus takes place at two levels of analysis, the individual and the institutional one.

Providing information. While some scholars consider this function part of surveillance, there has been a great deal of study on how people, acting as both citizens and consumers, use information in making daily decisions (McQuail, 2005). In addition, some work suggests that news coverage acts as an information source to policy makers at all levels (Krimsky and Plough, 1988). The provision of information, as it is currently understood, functions on multiple levels and is far more complex than the reductionistic message-sender-receiver model that dominated analysis in the 1950s and 1960s (Westley & MacLean, 1957). News, in its institutional role today, is interactive with multiple audiences, some members of which function as autonomous individuals while others function as part of larger groups.

Community-building. The notion that news helps build and strengthen communities is an ancient one. But, contemporary scholarship, specifically the work of Putnam (2000) has provided renewed impetus to the concept of news as social capital. In this view, news is a collective good, valuable not just at the individual level but valuable in an organic sense to communities as a whole. A different body of literature, one that emphasizes the role of the mass media in the creation and maintenance of culture, also contributes to this understanding. Scholars who focus on culture are often critical of media content; what they do not suggest is a ready alternative to media content in general. This same branch of scholarship, however, notes that one possible remedy to hegemonic media content, including news content, is the capacity to generate content locally. This notion of the power of locally generated content is the basis for such disparate actions as national government and international regulations requiring a certain level of locally-produced programming to the development and apparent success of news agencies such as Al Jazira. These theoretical notions of community building obviously have practically import.

Escape. There is a great deal of scholarship, focused on individual response, that suggests that people often use media content, including news content, to escape (Greenberg, 1974.) There is little evidence to suggest that people seek to
escape through media content at the expense of surveillance or information acquisition. All three functions appear to work simultaneously, and not always logically, in the minds of individual readers, viewers and listeners. Escape for many means entertainment, and audience evaluation tools such as ratings and circulation figures are often used to suggest that escape is displacing other functions for individuals. Such an analysis is contentious in the academy (as the foregoing summary of findings about other news media roles suggests), but managers should keep in mind that it is focused exclusively at the level of individual response. Communities and institutions do not escape in the same way that individuals do. In fact, in most analysis, the literature suggests that too much escape, at the institutional level, is maladaptive and can be the precursor to profound change.

Making money. However, making money is only one of several functions the news media, in a practical as well as normative sense, provide society. These multiple roles are difficult to balance from a managerial point of view. As media economics scholar Robert Picard notes (Picard 2005:338): ‘These conflicts create a paradox, because it is recognized that commercially-funded media require financial resources and strength to sustain and nurture their activities, but they cannot fully pursue their economic self-interests without harming optimal public service. Optimal service can thus be achieved only if firms temper their self-interests or if legal and regulatory actions require them to do so’.

Based on the foregoing, and acknowledging that the normative expectations of journalism have long-term institutional consequences, it is possible to develop an overarching goal for transformational media leadership when it involves journalism and news:

to insure that organizations that produce and broadcast news as part of their business portfolios do so in such a way as to assure that all functions of news at both the individual and institutional level are supported and that no single function — for example money making — overwhelms the others, for example societal-level surveillance.

What follows are some preliminary suggestions for how managers might fulfill this difficult responsibility.

Making money by doing better journalism

Journalism is expensive, and traditionally media conglomerates tend to cut their news budgets when expected profits do not materialize. However, there is an emerging body of evidence that indicates the way to make more money in news is to reinvest in the newsroom itself. Chen, Thorson and Lacy (2005: 517) examined newsroom investment and newspaper revenues and profits between 1998 and 2002 in newspapers with circulations of 85,000 or less and confirmed that newsroom investment ‘leads to improvement in quality, which in turn
increases circulation’. This study showed that additional newsroom investment also led to an increase in advertising revenues:

*The strongest relationships between newsroom investment and financial performance were found for total revenue per copy and advertising revenue per copy. For both variables and for all five years, newsroom investment accounted for at least 20% of the variance in these financial performance variables…. These data indicate that newsroom investment would have been good business for these 1,450 dailies,* (Chen, Thorson & Lacy, 2005: 526-527).

And, while these studies have begun with newspapers, there is good reason to believe that the same trends may be present in broadcasting, particularly at the non-network level.

Specifically, such investment might occur in two ways: investing in the current staff, through providing additional training, more choice in terms of journalistic assignment, and an adequate news hole (print or broadcast) to allow quality coverage, and second, paying beginners enough to retain them and allow them to develop significant professional expertise. The most recent study of the US job market indicates that the median yearly salaries of young people working at newspapers, radio and television stations equaled from $23,000 (radio) to $26,000 (daily newspapers) (AEJMC News, November 2005). These numbers mean that in most media markets, beginning journalists are paid less than US public school teachers, a notoriously underpaid profession that also produces significant collective goods.

In addition, organizations that own journalistic entities need to re-discover the notion of a connection to community, and to reward local managers, including the journalists who work for them, who discover and support what is unique about “the local”. Some newspaper firms, for example Gannett, have required all managers to adopt certain policies in a “cookie-cutter” fashion in an effort to make newspapers more reflective of their communities. While some such innovations may work, corporations might profit equally well from supporting unique solutions that cannot be readily transplanted. Anecdotal evidence of the economic success of such community connection abounds; what is lacking is systematic study. However, by reminding readers and viewers that news organizations are making such an effort, the possibility for creating additional social capital emerges. Managers need to both understand and exploit the financial possibilities of local news as an exclusive commodity—one that national newspapers or broadcast networks simply cannot provide or equal.

*Better journalism means spending money to reconnect to local communities*

While news organizations need to reconnect with their communities at an institutional level, at the individual level it is equally important that they
Balancing the Long-Term Social Capital Created by News with the Demand for Short-Term Profit

reclaim a conception of readers and viewers as citizens imbedded in a community and not exclusively as atomistic consumers. Philosopher Larry May (1996) has suggested in his book *The Socially Responsive Self*, that moral concepts are embedded in social structures and processes, in other words, in institutions as well as in autonomous individuals. May, and other philosophers, argue for a self that emerges only through interaction with others. He suggests that professionals need to understand their social responsibility as a type of fiduciary duty — one that acknowledges the critical importance social capital in the formation and maintenance of the community. Journalists and news organizations certainly would be among those professionals May identifies. Media managers, too, are implicated. “Those who have voluntarily placed themselves in positions of trust concerning the interests of others must give careful consideration to those interests’ (May 1996: 136). As empirical research suggests, those news organizations that are able to reconnect or to sustain the perception among readers and viewers that their interests as citizens as well as consumers are fostered may indeed become more financially sound in the sense the Picard has articulated.

One way of re-forging this citizen-of-the-community and news connection is through transparency. Simply put, news organizations needs to be more willing to explain themselves to their viewers and readers. There have already been some notable experiments with transparency in the US, almost all of them in response to significant ethical lapses. Perhaps the best known of those was the *New York Times* multi-page recounting and correction of the work of reporter Jayson Blair, who admitted to fabricating all or part of more than 30 stories during an 18-month period. Other nations, most notably the United Kingdom and Sweden, have institutionalized and required some form of transparency through the mechanism of press councils. In democratic societies, a voluntary approach — with a nudge from government if necessary — seems best, if only because it allows news organizations to proactive in their self-critique instead of being merely reactive to government decree. In the US, because of the oddities of the First Amendment to the US Constitution, voluntary transparency is perhaps the only realistic approach. Scholar Mary Graham (2002) has documented how requiring transparency has obviated the need for government regulation. Interestingly enough, her work focuses on the production of collective goods such as clean air or food labels. Transparency, through the provision of information, allows citizens to make choices, including the choices they make as consumers. Transparency regarding the news process places a substantial amount of power the hands of the citizens who consume news. Journalism is difficult, but it does not have to be mysterious. In the current climate, mystery breeds suspicion. Transparency promotes empowerment for many stakeholders and it will allow news organizations to explain the essential nature of their connection to community. Journalists can and should explain how — and why — they go about the work of news more often and more publicly, especially when they do something right.
The foregoing is a list of global missions, but there are some practical insights that emerge from such an approach. First, news organizations need to rethink what it means to converge. Rather than housing convergence only in the tent of technology, journalists and new organizations need to consider whether convergence means content, too. Citizen journalism — asking individual readers and viewers with appropriate editorial supervision to act as reporters—is one such experiment. It is too soon to know whether this experiment will have long-term economic benefits, but citizen journalists are by their nature more transparent and embedded in community than many in professional news organizations. Convergence also can be applied to how organizations relate to their audiences. Instead of thinking of ‘pushing’ information at the audience, managers need to consider constructing news organizations that allow readers, viewers and listeners to ‘pull’ information, with a particularly emphasis on local information, from a local television or radio station or newspaper. Convergence can also be applied to specifically journalistic approaches: more stories need an investigative element, others a different and more insightful approach to service journalism. Whether convergence is in the form of citizen journalism or of journalistic approach, such changes demand reinvestment in the newsroom rather than a repurposing of existing staff.

Finally, journalists and managers need to acknowledge — indeed to promote — the fact that excellent professionals achieve their excellence not just through craft but through sound ethical reasoning. There is emerging scholarly support for this statement (Gardner et al, 2001; Wilkins & Coleman, 2005). Doing things well, and being transparent about it, over the long run will promote credibility. Managers need to acknowledge that making news more credible on the local level, a long-term project, will have benefits that should be analyzed only in the long run, despite the current insistence on short-term ticks.

The specific role of newspapers

There has been much discussion of late about the death of newspapers. While there has been a great deal of professional consternation, the trends outlined previously appear particularly debilitating to the newspaper industry. As Paul Ginochio, a media analyst with Deutsche Bank, noted, ‘It’s easier to increase short-term operating profits with cost-cutting now than to grow future revenues by making strategic investments that hurt profits in the near term,’ (cited in McCollam, 2006: 19). Yet, the institutional need for news journalism has meant that, just as shareholders are demanding higher returns, the industry itself is searching for new business models. Among them are: employee

1 For an update on citizen journalism as it is practiced in the US, see Neiman Reports, Winter 2005.
ownership (as practiced for decades in Canada), a return to largely private, family-owned corporate structures (such as those currently in place at the *New York Times* and the *Washington Post*), to business plans that model those of public utilities rather than for-profit corporations. The goal that many see is to have newspapers valued, not as high profit entities, but as more modest profit centers that can be the focus of long-term sustainable profits that will influence their larger, corporate owners. Newspapers have substantial resources, some of them material such as staff, and some of them more difficult to ‘count’, among them credibility at the local level, a local connection to communities, including those who advertise, multiple revenue streams, good brand names, and strong access to information that multinationals cannot trump at the local level. If newspapers can learn to be better innovators as an industry, then the institutional need for the journalism they provide will result in long-term economic sustainability, although none of them will ever see the profits of those who bought Google when it was $80 (US) per share. For newspapers, an adjustment for their owners’ short-term expectations is in order.

**The penultimate goal**

Conglomeration is most often regarded as a problem for news organizations. As the foregoing suggests, if news organizations, which have wide ranging roles and social responsibility, are viewed identically to the entertainment or technological arms of media conglomerates, then the problem is real. But, if those same conglomerates acknowledge that news organizations contribute to a social bottom line — one the entertainment division could not prosper without — then the high profits of entertainment could be used to support a news division which returns a more modest financial profit and significant cultural and political space (Habermas 1984, 1987). Media businesses do not make widgets; they make culture and polity. Widgets are morally neutral entities (unless they are bombs or mass-produced poisons). Culture and politics have a moral dimension. In democracies, one of the responsibilities of news organizations is promoting citizen conversation about culture and politics without stripping the conversation of moral weight. Such conversations can be filled with conflict as well as accord. But, for democracy to flourish, they are necessary. The ultimate goal of news journalism is precisely this: to provide a narrative construct that enables cultural beings to fulfill their civic tasks. “It is a hermeneutic process seeking not profusion of detail, but interpretive insight,” (Christians, Ferre & Fackler, 1993: 14). Better journalism can meet this goal. But, to get better, managers must be willing to invest, not for short-term profit but for long-term democratic health.

**Bibliography**


Leaders as Builders of Great Teams

Alfonso Sánchez-Tabernero

Abstract

Leading media companies is a daunting task. Difficulties come both from the market and from the company itself. It is not easy to find the proper balance between the demands of audiences, advertisers, owners, employees and regulators. Leaders in this industry need to be long-term oriented, have an ability to motivate, strong beliefs, be able to embrace change and eagerness to understand what the public wants. These attitudes allow them to create excellent teams, which at the end of the day is the most sustainable competitive advantage.

Introduction and context

The media industry is facing a fundamental challenge: it has to win the confidence of an ever more demanding public (Wolf, 1999; McChesney and Nicols, 2002). This task is becoming more difficult for two main reasons. First, new ways of obtaining news and entertainment are appearing all the time, and these also compete amongst themselves to become the people’s choice. Second, the public have a wider basis for judgement and a growing critical awareness: they compare the quality of products and services and detect errors, lack of originality and attempts to manipulate reality.

A critical understanding of the media can be traced back to the first newspaper publications in the seventeenth century. Renaudot, founder of the first magazine in History, La Gazzette, relied on support from Richelieu to create the weekly publication which subsequently became a means of communication for the French Government. However, when the Cardinal died he was accused of being an usurer and doomed to refrain from practising his profession from there on.

The number of publications with the name Gazette and Mercury increased very rapidly throughout Europe from this point onwards, above all in France, Germany, Holland, Italy and Great Britain, before making the leap to the American Continent. Despite the popular success of these publications, criticism appeared immediately: Ben Johnson, in his comedy The Staple of News, assured all in 1625 that journalists, ‘with the aim of creating a sensation, will not stop before reporting any lie’ (Díaz Noci, 2000).

Other writers have perpetuated the same idea for over nearly 400 years (Sánchez-Tabernero, 1989): ‘It is the one great weakness of journalism as a picture of our modern existence, that it must be a picture made up entirely of
exceptions’ - wrote Chesterton in *The Ball and the Cross*; Proust explained that reading *Le Figaro* each morning allowed him to learn about all the misfortunes and catastrophes which had befallen the whole universe within the last 24 hours; and Claude Vignon, one of the characters in Balzac’s *Lost Illusions*, declared that all newspapers are but a shop in which the public are sold words of whatever colour they may desire.

Recently, new criticisms have arisen alongside traditional ones: that the media is leaning excessively towards entertainment; that there exists a greater propensity to be influenced by advertisers and pressure groups; that an agglomeration of like minds may silence the voice of the minority; and that there is a deterioration in the distinction between news and entertainment, as well as between editorial and advertising content (McChesney and Scott 2004; Lessig, 2004).

There is nothing new about the fact that famous journalists deliberately mislead the public, and report as news something which is purely the product of their imagination. Perhaps the most famous case was that of Janet Cooke of *The Washington Post* who in 1980 related the tragic story of Jimmy, an afro-American child of eight years old with a terrible family background who was introduced to the world of heroin by his mother’s boyfriend. Cooke and the *Post* won the Pulitzer Prize for this story but were obliged to return it when Cooke confessed she had invented it.

While that fiasco was viewed as an isolated incident, an accumulation of similar incidents in recent years – involving journalists at prestigious media outlets like *The New York Times* (Jayson Blair), *USA Today* (Jack Kelley), *Slate* (Jay Forman) or *The New Republic* (Stephen Glass) – seems to suggest that managers of media companies are more concerned about audiences, advertising revenue and profit than about filters and control systems, or in short, about not letting the public down (Gamble and Watanabe, 2004; Gitlin, 2002). For many, these examples confirm the hypothesis that commercialisation really does imply a reduction in the quality of content.

If for the news media, the value of truth appears to have gone down in that last few years, the entertainment sector is facing even worse problems. In the field of news reporting, the truth has not ceased to be the ethical and professional reference point, and although cases of manipulation and distortion of reality are prolific nobody is attempting to justify the invention of facts or the telling of false facts.

On the other hand, it is not at all easy to find an ethical reference point in entertainment content. The concept of ‘respect for human dignity’ has been mooted by many. But beyond this weak consensus – the application of this concept, that is determining whether something has ‘enough dignity’ or not - is proving difficult.
External problems and internal deficiencies

Problems perceived externally by the public nearly always have their origins in deficiencies in internal work practices within media companies. Media organisations with poor leadership and weak newsroom management may win the confidence of the public, but only for a short time. Industry leaders can play a crucial role here: they know that the public is fickle and changes their preferences according to whim, but they also know that if they maintain a level head, follow their own convictions and uphold professional standards they can build a consistent, solid brand capable of withstanding mercurial public tastes. They are aware, even though it seems contradictory, that automatically adapting to market demands as and when required prevents the creation of strong long-lived products and nearly always threatens long-term survival.

Talent is the raw material of these companies, and their competitive advantage comes from generating original, attractive media content that respects truth and human dignity. Therefore in order to achieve professional excellence boards of directors must direct as much effort into the ways in which they select, train and motivate employees, as they do into investments in new production facilities, negotiating bank loans, or improving distribution channels (Postman, 1986; Albarran, 2002).

Over the last few years the deterioration in working conditions in the media (more so in the news sector than the entertainment sector), has been the principal complaint amongst professionals who work in the field. Those who work in regional news are more severely affected than those who work in national news organisations. This problem has many symptoms, and indicative examples include:

a) Large differences in salaries. A few employees earn a great deal and a great deal of employees earn very little. Young people who take up their first post as interns or traineeships are prepared to accept a very low salary because the number of people looking for work in the field is far higher than the number of jobs available. A handful will eventually make themselves ‘irreplaceable’ and receive a significant improvement in their compensation. The others, especially once they have been with a company for more over two years and have barely progressed, will become de-motivated. To compound the problem, many companies now combine a fixed percentage of permanent employees with a significant percentage of interns or trainees which is replaced regularly. The high staff turnover that results makes the creation of a stable, solid workforce outstandingly difficult, which in turn undermines commitment and quality.

b) Abuse of the concept ‘collaborator’. Collaborators are defined as specialists who work sporadically on a freelance basis for a specific media company. However, there are occasions when such individuals work full-time yet do not have access to the same rights and protection as permanent members of staff. In this way the company reduces its staff costs and increases its flexibility, but also creates a group of professionals who are barely involved in the future of the media they are employed in.
c) Multi-employment. Deterioration in working standards forces some staff to have two jobs, or at least find supplementary ways of earning income to compensate for sporadic work. These people have their attention focused on how to earn a reasonable salary rather than on how to do the best possible job.

d) An obsession with outsourcing. Shareholder returns – irrespective of whether a company is publicly listed or not – are increased primarily by reducing costs. Many companies resort to outsourcing as a means of increasing efficiency and flexibility simultaneously. Entrusting an ever growing number of tasks to a third party means a company can pressurise suppliers to lower their prices because if they do not they can simply switch to another supplier. However, since no company exists to generate profits for another, the supplier inevitably passes these pressures back down the supply chain: it buys poor raw materials or low quality products. Due to their intangible nature, news and entertainment content is affected more by this than are more tangible activities. For example, it is easier to apply systems of quality control to car manufacturing than to the creation of fictional stories or current event coverage.

e) An obsolete pyramid structure. In media companies there are often too many rungs in the corporate ladder and an excessive rigidity in the flow of information, neither of which further creativity or the ability to make quick decisions. A recent study of the Spanish press (Zorrilla, 2005) highlighted that in the majority of newspapers there are at least six or seven rungs between the editor in chief and the most junior journalists. Pyramid-like structures increase anonymity and an over-fragmentation of tasks and responsibilities. Media companies structured in this way can look like assembly lines: to increase productivity each employee’s function is strictly limited with the boundaries that are difficult to overcome. Climbing the corporate ladder becomes a game of chance: the most creative employees tend to be promoted up to the next rung, but as they had little experience of management, the company risks losing a good journalist or script writer or designer, and gaining a bad manager.

   This type of hierarchical structure prevents group decisions being reached by a process of consensus-building, in which everyone has a say and in which analysis has been enriched by a plethora of ideas that come from many different perspectives. Rather, if managers try to instigate debate their suggestions tend to be interpreted as orders. In pyramid organizations managers rarely contradict higher status executives because this can jeopardise their own prospects (Magretta, 2002)

f) Poor internal communication. However paradoxical it may seem, in many media companies there exist isolated ‘islands of information’ to which only a small group of employees have access. This means that knowledge is fragmented, experiences are not shared and many employees do not know the real situation of the company nor the objectives it aims to achieve. These deficiencies relate as much to vertical flows of communication as to horizontal. In the first place, lack of communication nearly always has its origin in the fear held by
management that their subordinates will misunderstand internal news or will filter information to competitors. Although these risks do exist, it is even more dangerous that the team do not know what is happening in their own company (Pringle and Gordon, 2001).

In particular, organisations tend to hide negative information concerning financial performance, audience numbers or levels of audience satisfaction, advertising revenues, brand success, and so on. However, secretiveness about such issues can give rise to alarming rumours, which are far harder for management to control, not least because they are often the last to hear them.

The problems found in vertical communication flows often have other causes: employees’ eagerness to ‘protect their position’ or make themselves indispensable; lack of trust in co-workers; insufficient opportunities to exchange ideas and experiences; and above all, the absence of a leader capable of integrating individuals and building teams.

The results of a survey of executives in Spanish communication companies do not inspire optimism (Jiménez and Sánchez-Tabernero, 2005). Only eight percent of companies have a public document available to all employees that defines the working practices and professional conduct required by the company. Only twenty-nine percent of firms have a written document outlining the promotion process for personnel. Over 50 percent of the companies have no publicly available documents describing the internal organisation, the evaluation system, or company rules and regulations.

Although the problems described above affect some companies more than others and vary from country to country, after analysing dozens of communication companies in the Spanish market, we have only found a very few examples of excellent management of teams. The reasons include the usual difficulties in human relations, the economic pressures on the sector described above, and a shortage of theoretical recommendations on ‘best practice’ or on ways to evaluate current human resource policies.

The fundamental contradiction here is that there has never been so much pressure to treat employees as mere productive resources, yet it has never been more risky to do so. There is a strong pressure to respond to increasing commercial pressures, especially for public companies which must publish their results every three months. However a growing number of competitors are ready to seize the opportunity presented by low quality media products generated by employees disenchanted with their company.

The media industry needs leadership to resolve this critical dilemma. It needs people who are capable of reconciling economic efficiency with high staff motivation. Such individuals will achieve short-term success, but are also committed to protecting the future of their companies.
The Attitude of Leaders

Leadership comprises both innate and acquired components. Most leaders possess a natural ability to motivate others. However, and critically, most also have an internal conviction which compels them to behave in such a way that their colleagues follow them: it is not possible to drag others behind you if you do not yourself believe the goal is worthwhile. Innate characteristics, such as persuasive ability, cannot increase employee commitment to an unclear or uninspiring goal. Conversely, deficiencies of personality can be overcome if the overall goal is perceived as being worthwhile.

A good leader therefore will lack neither conviction nor large projects. If a goal is worthwhile, it will also be worth waiting for. A good leader is patient because he or she knows that the best achievements require constancy, the ability not to be defeated by the first few hurdles, and the persistence to keep trying for extended periods.

The art of leadership appears to be strongly linked to peaceful change without ‘collateral damage’, and an aim of achieving dynamic stability (Abrahamson, 2000). Good leaders try to harmonize change with permanency: they are not simply ‘rebels’ or anarchists, nor do they tremble at the slightest adversity. Rather, they try to build a ‘loyal opposition’. To instigate successful change they observe their surroundings and promote imitation. They try not to forget the past, and innovate on a small scale to begin with.

In some ways, organizations find change as difficult as human beings do. In general, they tend to be fearful and conformist. Good leaders know they must combat the dangers that lie in wait for anyone attempting change: disappointment, cynicism and despair. This is why they concentrate on forming the capacity for initiative and innovation. They propose changes which rely on communication skills and endeavour to develop confidence and loyalty. They promote freedom rather than control, because to force change and to allow oneself to become carried away by impatience can impede change (Semler, 2000).

In their eagerness to generate support for worthwhile projects, good leaders tirelessly look for horizontal communication as much as for vertical, and listen more than they speak. A leader must have dialogue with employees and consumers because value is often created outside-in, that is by involving others in the creation of ideas and solutions (Magretta, 2002). This approach can have its pitfalls, above all if the customers or employees consulted are dissatisfied, but this ‘necessary evil’ will ultimately strengthen both the input and the character of the leader (Smock, 1998; Steel, 2000).

A commitment to self development is a crucial characteristic of good leaders. They have convictions, courage, optimism and fierce resolve, have developed a habit of effort, and tolerate frustration. They are self-deprecating and tenacious (Collins, 2001). They have a realistic understanding of their limitations, but their eagerness to address these means they avoid the sterile vacuum of self-determinism that dictates character deficiencies can never be found.
Leaders as Builders of Great Teams

Change leaders establish participative organisations where hierarchy is limited. They do not seek to be indispensable and therefore do not keep important information to themselves. They look for a degree of egalitarianism and cooperation predominates. This ‘democratising’ tendency means leading without a dictatorial or abuse of power – it could be termed a strategy of confidence, which insists on promoting a solid culture (Coutu, 2000). To a large degree, this form of leadership means to provide inspiration, give direction and to unite professional hopes and wishes.

This leadership style tries to balance a degree of ‘intolerance’ about anything that might threaten fundamental company values with an enthusiastic search for innovation. The leader listens to ‘cynics’ because they can coldly dissect problems. They also pay attention to ‘enthusiasts’ who are always ready to collaborate. But they worry above all about the silent majority, those who will not speak unless asked.

In one way or another, good leaders communicate to their employees that the company is beginning anew over every day as a result of their contributions. They make a great effort to build confidence (Waldroop & Butler 2000) through rectifying mistakes, accepting criticism, keeping promises, tolerating errors, recognising the achievements of others and knowing when to allow others to take the lead if necessary. Such leaders stand out due to their ability to delegate and to look for a successor. They realise that they cannot do everything nor can they be over controlling micromanagers (Pringle and Gordon, 2001). They also know that they need their employees and customers to achieve change, which is why they encourage team work and build coalitions.

However, risks lie in wait for the leader who is the instigator of change. These can be summarised in six main points:

1) Taking on too many projects over a too long period of time and insisting that their subordinates do the same (inadequate prioritisation).
2) Approaching tasks in an overly objective and rational manner, and imposing this approach on the entire organisation. As a consequence indispensable subtler activities can be disregarded such as lobbying, consensus building and negotiation (extreme rationalism).
3) Attempting to subjugate others by encouraging in-fighting for power and control (keeping control by dividing subordinates).
4) Focusing on what may go wrong instead of considering how things may improve (paying more attention to threats rather than to opportunities).
5) Attacking authority and the established conventions head on (failing to consider other options).
6) Trying to achieve too much in too little time (excessive hurry).

A study of the ten most successful, longest lasting communication companies in the Spanish market from 1980-2003 showed that in all cases there were one or more leaders capable of motivating employees (Pérez Latre and Sánchez-
Tabernero, 2003). Of the examples analysed, which included print, audiovisual and interactive media firms with different sizes and varying ownership structures, there was one common factor - a committed management team with long-term objectives, which involved employees they trusted the most, resulting in the creation of a culture of confidence and optimism.

When interviewed, nearly all these leaders confirmed that their achievements derived from the quality of their teams – although some also referred to favourable circumstances and luck. What is clear is that none of them considered that personally had been primarily responsible for their company’s success.

These leaders shared other traits: an eagerness to know what the public want that led them to view consumer data or market research alone as insufficient. They demonstrated an active disposition to observe, listen to and analyze the likes and preferences of individual customers. Quite a few dedicated time to reading customer letters and emails, others asked for a résumé of complaints received or some occasionally took telephone calls from readers, listeners, viewers or internet users.

Of the companies studied, ‘wonderful ideas’ were not a decisive factor in the change process. The points of departure were nearly always existing concepts that were adapted through tried and tested processes over a long period of time. Thus good leaders are not necessarily product and service innovators, but rather through their tenacity and ability to motivate employees they achieve small advances which are valued by the public. Many dominant market positions are based on these victories which are perhaps not dazzling, but are constant and effective.

Creating an Attractive Mission

Leadership is not only based on courage and good intentions, it also requires a deep understanding of the intrinsic nature of one’s own professional activity: the rules of the game, and the explicit and implicit norms commonly accepted by the main protagonists (suppliers, distributors, employees, competitors, regulators, etc.). This knowledge allows others to be guided towards an attractive and obtainable goal (Katzenbach, 1998).

Along with other distinct features, the media industry is characterised by the fact it directs its messages towards five distinct groups simultaneously:

- a) the public, who seek to learn about the news or to be entertained;
- b) advertisers, who want to reach a particular target group and to prevent any adverse comment in the press which may be detrimental to their commercial interests;
- c) employees, who will object to content that contravenes their professional standards and ethical convictions;
Leaders as Builders of Great Teams

d) owners, who would like their media organisations’ newspapers, magazines, radio programmes, television channels or web sites to support other companies they may own;
e) regulators, who normally treat those who are comment positively about them favourably and tend to ‘punish’ those who criticise them.

Other industries lack such complexity in terms of stakeholder groups. Cars, furniture, houses and computers are designed and produced basically to satisfy the demands of their respective users. On the other hand, the leaders of media companies must find a balance between these conflicting demands and understand the value of delivering to each different audience.

Without full understanding of how media companies function, it is not possible to find a coherent strategy that will motivate employees in the long term (Holtz-Bacha and Norris, 2001). One of the main conflicts is the difficulty in reconciling company objectives with the goal of profit maximisation. This problem becomes aggravated when a leader assumes that the majority of the public want ‘trash products’. This dilemma as clear as it is discouraging: low quality content reduces employee commitment, as well as bringing other adverse consequences. However if media firms adhere to high professional standards and supply something which the public is not interested in, there will also be adverse consequences.

Fortunately, the contradiction between quality and profit yield does not exist, or at least, not to such a grave extent. Rather, because of their appeal to human curiosity, ‘trash products’ are the best way of introducing something quickly into the market, although very rarely do they survive for a long period of time.

In this way, it is understood that to lead implies to relinquish. Excellent executives know that if they focus on quick wins today, they cannot construct the barriers which will allow them to protect their market position. However, to lead also means knowing that the success of ‘trash products’ increases above all when there is a lack of attractive, quality alternatives. A high level of consumption does not necessarily mean a high level of satisfaction (Anderson, 2004).

The mission of each media must be adapted to the nature of its activity. Referents which cannot be ignored exist in the news sector, such as respect for the truth, privacy and the good reputation of people. In the entertainment sector, the core ethic consists of respect for human dignity, and as a result, avoiding content that generates hate, violence, sheer self-interest or any other type of moral degradation.

The most prestigious news organisations rely on leaders who can act decisively when faced with strong competition. They can be change agents yet maintain the identity of their companies. They can interpret the present and contextualise recent history. They have discovered new narrative genres, which are enjoyable and truthful at the same time. In short, they have gone beyond
the call of their mission, which consists of providing comprehensible, interesting, useful, and relevant content for the public.

The news carries out a function of social cohesion. It integrates people into their communities, it generates interest in problems away from home, it opens the mind to new perspectives and far away events, it facilitates the necessary context to help us understand the world we live a little better (Gamble and Watanabe, 2004).

News industry leaders set out to achieve their public function and make a profit at the same time. They do not see an incompatibility between the two objectives. Economic stability allows them to face external pressures, which otherwise could force one to leave behind the demands of the public. And interest in providing a service to customers favours good brand reputation and reader, listener or viewer loyalty.

In the entertainment sector, leaders are aware that the stories they tell influence society. They could help people to be more generous and tolerant, or on the other hand, they could incite unsupportive, selfish and violent behaviour. For this reason, they never justify certain content simply because the public wants it, in the same way that poison would not be supplied indiscriminately to whoever asked for it.

Not only do they try to avoid products and services which may cause harm, but they also attempt to use products which have a positive effect on people. Their talent serves this purpose: they manage to motivate their colleagues to devise worthwhile and attractive material. In addition, they strengthen the value of their brands and differentiate themselves from those who choose the easier method of attracting public attention.

Excellent media companies, irrespective of whether they are dedicated to news or entertainment, are difficult to displace. The leaders of these companies know that to protect their position they need to build a large professional team, strengthen their identity, respect professional standards and drive innovation. And, above all, they remember at all times that the principle reason their organisation exists is to serve the public.

Building an Excellent Team

The mission identifies the destination we want to arrive at. But this goal can only be achieved if a group of people are prepared to follow the path towards it. As a result, the key aspect of the leader’s work is to build the best possible team in order to develop achieve the goals that have been identified, realise the selected project.

The best executives know that content is generated by the heart of communication companies. They waste no effort to ensure that heart never skips a beat, and keeps to a regular rhythm. They achieve this by paying employees adequately, establishing training and professional development
Leaders as Builders of Great Teams

programmes, providing information about company plans, recognising success, tolerating mistakes and creating the space to allow for innovation.

The best quality pages in a newspaper or broadcast programmes produced by a group of professionals conceal hours of work, an abundance of creativity and a good dose of talent. There are also doubts, occasional mistakes, and frequent discussions about how to approach a story or how much time or space it should occupy. But each decision is based on a desire to provide the public with attractive and useful content which promotes human values (Herman and Chomsky, 2002).

The construction of an exceptional team requires wise decision making in five essential areas: a) the selection criteria; b) the creation of training programmes; c) processes that have been designed to motivate staff; d) the appropriate organisational structure and finally e) adjusting the team composition as necessary.

When selecting their team, leaders must avoid one classic error - the selection of people to solve specific and immediate problems. This is something which over-values specific experience at the expense of other skills such as an ability to collaborate, talent, industriousness, being in tune with the company objectives, communication skills, honesty, optimism, and common sense etc., which have more value in the long term. Leaders must also avoid the strategy of mediocrity which involves surrounding themselves with talentless employees of limited aspirations in order to make themselves indispensable. To the contrary, good leaders look for people with initiative and leadership potential who do not simply unquestioningly accept instructions ‘from above’ and will challenge their bosses when necessary.

The training programmes depend on available resources and other internal aspects of the organisation. However, regardless of the situation, good leaders will ensure that all employees are able to continue to learn: by studying, by performing different roles and tasks at work, by attending courses and seminars or via whatever other methods are cost-effective.

Poor leadership can result in processes becoming routinised and to priority being given to comfort over efficiency. For example, in a recent study on the Spanish daily press, Zorrilla (2005) revealed that in 51 percent of companies journalists have done the same type of job for more than three years, and in 33 percent of companies they never or nearly never change departments. Managers and employees prefer to maintain a status quo which guarantees preservation of news sources (which are nearly always based on personal relationships), above the possibility of creating new professional challenges for journalists.

Motivating a team is achieved through several integrated actions: a fair salary, an attractive career path, interesting work, accessible managers, pleasant working conditions, and good information about company objectives. However, some individuals will maintain, for various reasons, a critical attitude towards their company, even in the most favourable working conditions. For
this reason, one of the selection criteria consists in selecting employees whom it is possible to motivate.

As Pérez-López (1992) points out, human motivation can be classified into three types: extrinsic, intrinsic and transcendent. The first refers to what employees receive in exchange for their work (salary, bonuses, prestige, recognition...), the second is derived from job satisfaction, and the latter is a consequence of discovering that the task carried out is useful to others.

Leaders know their people and discover that what motivates some leaves others indifferent. For this reason they do not manage their team with fixed rules applicable to all: they share the idea that each person is an individual, who deserves special attention, and for this reason they are open to exceptions, providing that these do not harm others or generate internal confusion.

Executives with a great ability for leadership establish organisational systems with limited hierarchies. They are not afraid of dialogue or for someone to dispute their ideas, because they do not try to impose their own criteria but to select the best option for their organisation, (Collins, 2001). They are conscious that the commitment of their team is only possible with flat structures, open communication flows and delegation of responsibilities to those who occupy the lower part of the pyramid.

The last step in the construction of a successful team consists in establishing a suitable dismissal policy. Perhaps this aspect is the main touchstone which measures the courage of leaders. On one hand, they do not lay off some employees when the economic climate becomes complicated. They look for creative solutions - such as how to launch a new project, or reduce costs, and they accept temporary reductions in benefits because they value preservation of an outstanding team to which they have dedicated a great deal of time and effort. Yet at the same time, they do not tolerate the existence of lazy, slack individuals or those who dedicate themselves to creating a negative internal atmosphere. They sense that these employees constitute a serious threat to the motivation of the entire team, because they work little and receive the same reward as other colleagues who put in maximum effort and contribute much more to the company.

The discipline of leadership is based on convictions, character and knowledge. Convictions serve to create an ambitious and useful goal for society. A strong character prevents the adoption of easy solutions or being overcome by short-term successes achieved by rivals. And, finally, knowledge ensures that the right priorities will be set - to choose an attractive project and to build an excellent team, capable of putting theory into practice.

Bibliography
Leaders as Builders of Great Teams


The Magician and the iPod: Steve Jobs as Industry Hero

Robert Alan Brookey

Abstract

With the success of the iPod Steve Jobs has transformed Apple Computers into a leading edge company, and Jobs has been credited with saving the music industry from the threat of digital technology. This essay analyzes newspaper coverage of Jobs, discusses how this presents him as an archetypal hero who has overcome challenges related to digital media, and suggests that Jobs’ achievements provide an example of how media firms might find success in the uncertain age of digital convergence.

On December 7, 2005 the New Oxford American Dictionary announced the new ‘Word of the Year’; 'podcast'. Podcasting involves using digital recording to provide programming via Internet downloading. The word is a derivative of iPod, the brand name for Apple Computer’s ubiquitous digital music player. As Noon (2005: 1) points out:

Once you’re in the dictionary, you’re there forever. Journalist Ben Hammersley may have coined the term, yet it’s Apple Computer Chief Executive Steve Jobs that becomes one of those rarities: a man so inventive in the sphere of technology, he has left his mark on our language.

That the real story about this new word is not about the word itself but the man behind the technology says more about the man than it does the word, or the technology. As Mossberg (2005: 1) observes, Steve Jobs, ‘probably the most charismatic business leader in America, attracts attention for anything he does’.

Jobs has always enjoyed a very high media profile, but with the success of the iPod he is now considered a hero. He has successfully positioned himself at the center of significant transitions in the computer, consumer electronics and entertainment industries. Digital technologies are changing the methods of production and distribution, and computers are increasingly converging with consumer electronics in the delivery of entertainment content. Some sectors of the media industries however have had difficulty adapting to these changes. For example, the rise of the MP3 format has caused problems for the music industry who claim illegal downloading and file sharing has led to slumping CD sales and reduced revenues. Amidst this chaos Jobs has emerged with a success business model, the iPod. As a consequence is being seen as an industry leader in the age of digital media convergence.

Jobs current status is in sharp contrast to his earlier career. He and his colleague Steve Wozniak were considered the young rebels of the personal
computer industry when they first started Apple computers, and Jobs was seen as rude, arrogant and capricious. In 1985 Jobs was driven from the company he helped create. This exile was highly public and very humiliating because Jobs’ personal identity had been so closely tied to the company (Malone, 1999). However in 1997 Jobs was invited back by then CEO Gil Amelio to serve in an advisory capacity. Within the year Amelio had been removed and Jobs appointed interim CEO. Since then he has never left, and he has successfully turned the company around, increasing both sales and market share (Deutschman, 2001).

Jobs is considered an industry hero. Peters (2003: 163) describes how ‘There is one guy I take a shine to more than anybody else . . . Steve Jobs. Steve is... The One Who Really Made the Revolution Happen’ (author’s capitalization). More recently, Business Week (Top 20, 2005) reported that the Boston Consulting Group surveyed 940 senior executives from 68 countries to determine the most innovative companies. Apple topped this list with 24.84 percent of the responses; 3M was a distant second with 11.77 percent. Clearly, Apple is at the top of its game, and so is Steve Jobs; he is held up as a hero and an industry leader.

Company leaders have often been held up as heroes, and leadership scholars have drawn on myth scholarship to better understand this phenomenon. The hero archetypes that are used to classify leadership styles are drawn from the work of Jung, who that in the depths of each human’s unconscious mind reside primordial images and themes that are shared by all humankind - the collective unconscious. This shared experience is reflected in archetypes that can appear in our dreams, our stories, and our myths. Campbell used Jungian theory in an extensive study of myths culled from a variety of cultures. In Hero with a Thousand Faces (1968) he articulates the narrative structure of the hero monomyth and identifies the different archetypal characteristics that the hero can assume. Fundamentally Campbell sees myths as serving a larger social function:

*Dream is the personalized myth, myth the depersonalized dream, both myth and dream are symbolic in the same general way of the dynamics of the psyche. But in the dream, the forms are quirked by the peculiar troubles of the dreamer, whereas in myth the problems and solutions shown are directly valid for all mankind (1968: 19).*

In other words, myths are something that societies can look to for guidance, and the heroes that reside in these stories function as guides and exemplars for society.

Most of the literature on leadership that utilizes archetypal analysis however operates within a therapeutic paradigm and focuses on leadership styles in the context of employee interpersonal relationships. Specifically, such approaches use archetypes to identify leadership problems, and suggest possible solutions. For example Strech (2004: 249) argues that the use of the hero archetypes in
The psychodynamic approach to leadership can point the way to better management styles:

Effective leadership using the psychodynamic approach is based on self-understanding and empathy with the feelings and reactions of the follower. Ultimately, the effective leader, using this approach, becomes a teacher and counselor as well as a goal setter, directive giver, and all of the other traditional leader roles.

Tallman (2003) takes this approach a step further and argues that following hero archetypes can produce ‘healthier male leadership’, and Carr (2002) has used hero archetypes in a case study to assess the leadership styles in organizational change management.

In addition to these specific applications to management style, I would argue that the larger implications of mythic archetypes can have practical applications as well. More specifically, I believe that the hero archetype can be used to analyze the stories told about business leaders, and determine industry trends. As I indicated earlier, the emergence of digital technology has proven challenging for some media industries. In ways, these challenges reflect an industry manifestation of the ‘technological shadow’ that Rushing and Frentz (1995) have identified in their mythic analysis of popular film. The technological shadow encompasses the fears that humans have for the technologies that they create, and the specific concern that humans can be replaced by these technologies. Rushing and Frentz demonstrate that these fears are assuaged when human heroes confront and contain the technological threat as represented in films such as The Terminator and Alien. Specifically, they conclude that these heroes demonstrate how technology can be harnessed to serve humankind.

Film and popular culture are not the only discursive venues in which hero archetypes can be located. As Brundin and Melin (2005: 80-81) have demonstrated, these archetypes are often used in news stories about industry leaders:

*Journalists, analysts, investors, board member colleagues and the like can facilitate the creation of this image or contradict it by their choices (of) what to write or say.*

**Methodology**

Therefore it can be argued that news stories are a viable discourse in which the construction of industry heroes can be critically analyzed. This study draws on articles from the Newspaper Source database in order to understand how newspapers have constructed Jobs as a hero. The database was searched using the proper name ‘Steve Jobs’, and January 1997 to February 2005 were used as temporal parameters. The analysis was structured around three questions:
1) Do the news stories about Jobs portray him as a hero?
2) Does this portrayal play out in a specific business context?
3) Does Jobs’ example provide a broader lesson?

Jobs as a Hero

Campbell’s hero monomyth suggests that heroes often face a journey that leads them away from their homes and that usually involves an event that threatens the hero’s identity. In this respect, Jobs’ story mirrors the monomyth, in that he was driven from his company, a departure duly noted for its dramatic qualities. For example, The Christian Science Monitor reports:

The announcement was accompanied by lots of glitz from Hollywood stars to rock musicians, but the crowd’s adulation was saved for Jobs, who clearly revels in what is not only a business triumph but a personal vindication (Sneider, 1997: 1).

The San Jose Mercury News (Steve Jobs’ personality, 2004: 1) characterized the return in this manner:

With Jobs, the humiliation of being driven out of Apple in 1985 became the first act in an operatic saga: The king betrayed by a trusted ally. Exile. And at long last, triumphant return and vindication.

In these examples we can see direct references to Jobs as a heroic figure, (a ‘king betrayed’ an ‘exile’) and these references are anchored in his departure from Apple. Another important aspect of the hero monomyth has to do with the hero’s return, which is often marked by triumph and a rejuvenation of the kingdom or community. Indeed, Jobs’ return is often associated with Apple’s revival as a company. The Sacramento Bee (Apple Computer Relies, 2002: 1) reveals ‘Certainly, the company did poorly during the 11 years Jobs was in exile, and it’s his vision that is largely responsible for its renaissance the past few years’. The San Jose Mercury News (Apple CEO’s Surgery, 2004: 1) concurs: ‘Jobs’ return to Apple in 1997, after more than a decadelong (sic) exile, is considered a turning point in the company’s fortunes. Indeed, Jobs’ resuscitation of Apple reinforces the synecdoche that links him to the company. According to myth scholarship, the departure of the hero creates a rupture, not only in his or her identity but also in the integrity of the kingdom/community. When the hero returns, the rupture is healed, order is restored, and the kingdom flourishes. According to these news stories, Apple also flourished once Jobs returned.

These newspaper accounts suggest that Jobs is responsible for Apple’s success, and that his identity is strongly linked to his company. Jobs’ recent battle with pancreatic cancer was used by many newspapers to discuss the issue
of succession at Apple. For example, *The Australian* (Is there life, 2004, 1).

inextricably links Jobs with Apple:

*Jobs is a superstar of the business world . . . and Apple depends very much on his charisma, drive and vision . . . US stock market analysts and other pundits were quick to point out that Apple was one of a handful of companies whose fortunes were intricately tied to one person . . . 'Steve Jobs has been the hallmark of Apple's turnaround' ' Standard and Poor's equity analyst Megan Graham-Hackett told CNN. 'It would be a blow to the company if he were not able to be as participatory as he has been in the past'.

The *San Jose Mercury News* (Apple's CEO Steve Jobs, 2004: 1) also reported on Jobs' battle with cancer, and mentioned the scope of his influence:

*Heidi Roizen, a longtime friend of Jobs' and an Atherton venture capitalist, said it was difficult to learn of his illness. 'Steve is so many standard deviations from the mean, it's hard to describe,' Roizen said. 'His impact has been incredible on Apple'. . . Apple co-founder Steve Wozniak, who lives in Los Gatos, said he had heard the news. 'It's a little bit of a shock,' Wozniak said. 'If he had a severe medical emergency, it would hurt the world. It's a much bigger deal than Apple, because Apple products influence the world. . . . Steve Jobs is the main vision for where the world is going'.

This story illustrates that Jobs' identity is tied to Apple's success, and his influence extends well beyond his company.

Although Apple's market share is quite small, Jobs is presented as a digital visionary and he is credited with leading the industry in innovative ideas. For example, *The Boston Globe* (Apple seeks, 2004, 1) provided this characterization:

*When Jobs begins to speak tomorrow morning, executives of the world's biggest computer and consumer electronics firms will be paying attention. That's remarkable, considering that Apple holds less than 5 percent of the world's personal computer market . . . But market share is one thing, mindshare quite another. Under Jobs, Apple has positioned itself as the 'thought leader' of America's high-technology sector, winning a reputation as one of the world's most innovative firms.*

Even as far back as July 17, 2001, when Apple was still considered to be on shaky ground, *The Australian* (Hotter chips, 2001: 39) reported on the significance of Jobs' influence:

*There's nothing in the personal computing world quite like a Jobs' Macworld keynote . . . The annual expos are watched by hundreds of thousands--maybe millions--on webcasts, at which Jobs sets the future direction of Apple. And, by implication, that means charting the course for much of the industry. Apple may have only a small slice of the personal computing*
market, but it has persistently been the outfit that sets trends that others follow -- at least when Steven Jobs has been in charge.

Finally, the San Jose Mercury News (Apple gives, 2002: 1) concurs with this assessment of Jobs’ influence:

Even though Apple has a small sliver of the overall PC market at about 3 percent, the company’s big research budget and trailblazing reputation make it worth watching. Other companies in the PC industry tend to follow Apple’s lead.

All these stories characterize Jobs in heroic terms, but there is one particular hero archetype that commonly occurs: the magician. In several articles Jobs is either explicitly described as a ‘magician’ (see, for example, Hotter chips, 2001; Plotnikoff, 2003) or his ‘magic’ is referenced (Co-founder, 2001; Merger might, 2000; Sneider, 1997). There are indirect references to Jobs’ magical qualities also. According to Pearson (1991: 193) the magician archetype signifies the power ‘to transform reality by changing consciousness. Jobs is both famous and infamous for his ‘reality distortion field,’ a phrase that is used to refer to his ability to convince others to adopt his perspective (Apple got, 2001; Computer Industry, 2001; How Apple’s, 2003; Technology review, 2001). For example, The San Jose Mercury News:

There’s something genuinely amazing about the celebrated Steve Jobs Reality Distortion Field: The man drives -- he does his own demos . . . But there was substance behind the demos. And as we mere mortals shuffled back out into the daylight to a hopped-up version of the old Louis Armstrong hit “Wonderful World,” perhaps we hoped a little of that flash and magic had rubbed off (Plotnikoff, 2003: 1).

In other words, Jobs is felt to weave his magic not only into the products of his company, but also in the way he sells those products to the public. Given that new technology is often regarded as performing magical feats, this characterization of Jobs as magician seems to be an appropriate hero archetype. In fact, the introduction of the iPod illustrates a specific example of a new technological product where Jobs magic seems to have rubbed off.

Jobs Saves the Music Industry

Although most media sectors are facing challenges from digital technology, it is the music industry that has truly been plagued by a technological shadow. The rise of file sharing services like Napster and Kazaa had begun to erode record sales. Not only were record companies losing money because of free downloading, but the practice also undermined these companies’ business models which were structured around the production, marketing and distribution of CDs. If the technological shadow carries the threat of
The Magician and the iPod: Steve Jobs as Industry Hero

replacement, then clearly the music industry was facing a threat from these downloading services. Record companies fought back through legal challenges, but many of them could not seem to develop a viable business model to tap into the practice of downloading. These problems, however, were neither Jobs’ nor Apple’s. Therefore, Apple did not really have anything at stake in the battle over music downloading, and Jobs’ success at overcoming this technological threat was rather inadvertent.

When the iPod digital music player was first introduced, the reception was underwhelming. As a tentative first step into the digital music market, the iPod was regarded as a miss-step, with a price point twice that of other digital music players. In the San Jose Mercury News, an analyst with the market research firm, NPD Intelect, indicated that price would be an issue for the iPod: ‘I guess the problem is it’s awfully expensive for the category it’s moving into ... They’re going to have to go out there and compete in a category where we’re seeing price compression already’ (Apple Computer Unveils, 2001: 1). Price, however, did not prove to be a problem for the iPod. In fact, Apple’s music player proved to be so successful that after one year on the market, Dell Computer began offering the iPod on their online store. As the San Jose Mercury News reported, ‘the move is especially noteworthy because Apple and Dell hate each other. Chief Executive Michael Dell had belittled Apple in the past, once quipping that if he were running Apple he would shut it down and give shareholders their money back’ (Dell’s online, 2002: 1). Obviously the iPod’s success made Dell change his tune, pun intended. While the Dell endorsement was a coup, the real impact of the iPod would be felt when its proprietary software program, iTunes, was integrated into an online music store.

Like the iPod before it, the announcement of the iTunes music store was met with skepticism. The Chicago Tribune reported, ‘consumers have to be convinced, morally and ethically, that Web piracy is wrong, said Joseph of Edison Media Research in New Jersey’ (Apple Computer Seeks, 2003: 1). Obviously, Jobs would have to do some philosophical persuading. Yet, as the San Jose Mercury News indicated, the music industry had confidence in Jobs’ ability:

Jobs is spoken of in very good tones by all the studios we’ve spoken to,” said Richard Doherty, director of research at Envisioneering Group, a Long Island, N.Y. technology consulting firm . . . Some music industry executives, feeling insecure after three years of sinking sales, expressed excitement that someone wanted them at all. Technology analysts took the news as evidence of visionary thinking at a time when bold technology dreams have taken a back seat to survival (Universal Music Group, 2003: 1)

The confidence on the part of these music executives proved well founded: iTunes enjoyed immediate success. On the other hand, the general skepticism
about consumers adopting a legal pay service over free, albeit illegal, downloads proved unfounded, as the Chicago Tribune reported:

Consumers clamoring to pay for music on the Internet? That'll never happen. But it did happen. Apple's new iTunes Music Store, an online site where consumers can download individual songs for 99 cents each, took off like a rocket when it was introduced on April 28. Mac owners, the only ones who can currently use the iTunes store, downloaded more than a million songs in the first week alone. And, yep, they paid for all of them (Consumer Don't, 2003: 1)

Given Apple's limited market share, the numbers were impressive, and it would be another six months before the iTunes service would be available to Windows users. According to the Dallas Morning News, once iTunes was available to Windows users, they purchased more than one million songs in three days, and after half a year in business, the store had sold 14 million downloads (Windows users, 2003).

Granted, these numbers paled in comparison to Napster and Kazaa downloads, but Jobs still received credit for '(untying) the Gordian knot of online music' (Apple Computer opens, 2003, 1). Indeed, the abilities he has demonstrated have positioned him in a leadership role in the music industry, as the San Jose Mercury News reports:

These days, when consumers are increasingly using computers to manipulate music, movies and television shows, entertainment executives are worried that technology will rob their content of its value -- and they see Jobs as someone who has a stake in both worlds . . . said Harris Tulchin, a Los Angeles entertainment lawyer . . . "Certainly he's viewed as a visionary, someone who could actually make sense of this whole issue of how to deliver music in the digital age" (Apple Computer CEO, 2003: 1)

And as the Chicago Tribune reported:

Whatever Apple is doing right, it's a ray of hope for the besieged record industry" (Consumer's Don't, 2003: 1).

To an industry paralyzed by the threat of encroaching technology, Jobs is held up a hero, albeit one whose heroic status is sometimes subject to satire as USA Today demonstrates:

so far the tech industry has treated Apple Computer CEO Jobs and his creation of iTunes much the way the Hebrews treated Charlton Heston after he parted the sea of jell-O in The Ten Commandments. Praise be Steve! He has saved us" (Apple's iTunes, 2004: 3b).

At a price point of 99 cents per song, iTunes made only slim profits - this was part of the deal with the record companies. But Jobs' goal was not to generate revenue through song sales, nor indeed to save the music industry. Apple
generates revenue from selling iPods; the iTunes software and online store were designed as bait to sell iPods, especially to customers who had never purchased an Apple computer. This, it was hoped, would improve the performance of Apple. This strategy seems to have succeeded, as The Daily News notes:

(T)he iPod wields a market clout no other Apple product ever held, accounting for 47 percent of all MP3 players sold in the United States, according to researcher NPD Group. And iPod sales have taken off, growing 344 percent in the most recent fiscal year. Apple told analysts it expected to sell about 4 million iPods over the holiday season, nearly matching the 6 million players it has sold since the introduction of the iPod in October 2001 (iPod Spawns, 2005: 1).

The iPod has also become a cultural icon. The best indication of this may be the way it has been embraced by the youth market – the principal one for the music industry. The Toronto Star reported that in a survey of teenagers' gift preferences for gifts for the 2004 holiday season the iPod ranked fourth: "They didn’t say music player. They said iPod. Teens want to be cool, they want their music, and the iPod is a cool way for them to get their music" (Teen Demand, 2004, D6). The 'coolness' of the iPod has apparently rubbed off onto other Apple products – a 'halo' effect. For example the Evening Standard reports:

The rise and rise of the Apple iPod music player has pushed the company's earnings to record growth, well beyond Wall Street's highest expectations, with sales of the digital music player also driving sales of the company's computers to new users. "In selling more than a million Macs, we're clearly seeing it," Apple chief executive Steve Jobs said. "We're thrilled. This was Apple's biggest revenue increase in its history" (iPod Boom, 2005: 1b).

Thus the strategy appears to have worked: the iPod/iTunes combination has significantly raised the profile of the Mac platform, translating into higher sales and increased market share. There seems however to be an even larger strategic goal. USA Today reports that Apple "is becoming far bigger than just Macintosh computers," says analyst Charles Wolf of securities firm Needham & Co. "It's a digital entertainment company now" (Popular iPod, 2005: 1B). In other words, Jobs has saved Apple by reinventing the company, and in those efforts, he has also positioned himself as a hero of the media industry. Or, as the Toronto Star reports, Jobs is viewed as a leader who can meet the challenge of new technology:

Go back to the early '90s, and people were talking breathlessly about digital convergence, about Hollywood and Silicon Valley (coming) together. But what's been absolutely fascinating is that Steve Jobs is virtually alone (as someone) who has a deep credibility in Silicon Valley and deep admiration in Hollywood,' said Paul Saffo, director of the Institute for the Future in Palo Alto (Steve Bids Adieu, 2004: C3).
Steve’s Lesson

Clearly Jobs has been portrayed as a hero due to the success that he has enjoyed over the last few years. His return to Apple and the consequent success of the company is a classical example of the hero monomyth played out in a contemporary context. The iPod has become a cultural icon, signifying the digital music revolution, and the iTunes store has succeeded with a workable business model for a commercial music downloading service. Jobs has also revived the moribund Apple brand, turning it into a cutting-edge, consumer electronics company. Given his success, and his position as a heroic leader, one who has met the challenge of digital technology, what can be learned from his example?

The primary lesson has to do with the way digital technology requires a reconsideration of the way media companies have vertically integrated and deployed synergy. In the past, media conglomerates were structured around the production, distribution, and repurposing of content. This content, however, was often in analog formats, and the acquisitions that media conglomerates made were informed by marketing strategies for these formats. The music industry is a prime example. Despite their concerns about piracy, the real threat that music downloading posed for music companies was much more fundamental: music downloading rendered the CD retail business models obsolete.

As this analysis has shown, Jobs has used technological to actualize a synergistic relationship driven by the integration of hardware, software, and content. This synergy is apparent in the iPod/iTunes business model, where content becomes the bait for hardware products that have a much higher profit margin. The synergistic relationship is then extended when the heat from the iPod helps establish the Apple brand as a purveyor of products that deliver digital media. Specifically, the Apple brand is associated with the content that it provides through its iTunes store, and several musicians have participated in campaigns and commercials to promote the iPod, and produce exclusive content for the iTunes store. While Apple enjoys this association, it assumes no financial obligation to cultivate the talent that produces content. In this manner, Apple has become an established brand in the music industry without signing a single band, or producing a single song.

Conclusions

When Viacom recently split into two companies, its CEO Sumner Redstone declared that the age of synergy was over, and that the practice of sharing content across media platforms was no longer lucrative (Teather, 2006). Perhaps content is no longer king, at least not in the way it once was. Instead, the leading companies in the era of new media may be content providers, not producers. The changes that digital technology has wrought in the media
industry are not over: change is the nature of digital technology, and these changes often accelerate. Therefore, those individuals in the best position to react to these changes, and respond with profitable models, are in the technology sector. One of the best ways to weather these changes is to tie profits to new means of digital media delivery and consumption. Content will still be the bait that lures consumers to these new technologies, but the more profitable revenue streams may come from hardware sales and online services. That may be the lesson behind the stories about Jobs and his iPod, but music may not be the only case where it applies.

Considering the situation at Viacom, Redstone has already learned this lesson. When Viacom acquired Blockbuster video, it was regarded as an important acquisition for the company to repurpose the content produced by Paramount studios and its basic cable holdings. With the advent of the DVD as a sell-through product however Blockbuster began to lose revenue, and Viacom has tried to unload the franchise (Fineman, 2005). In other words, a technological shadow has now been cast over the home video market. Jobs may well be working his magic again. In October 2005 Apple introduced a video-capable iPod, and announced that the iTunes store would begin offering video content. Granted, the content was not extensive: the store offered music videos, Pixar film shorts (from Job’s other company), and episodes from five of ABC’s current television shows. Still, the store sold 1 million video downloads in 20 days. Within a matter of weeks, the model had already attracted imitators with both NBC and CBS offering downloads of their programming through DirecTV and Comcast, respectively (Gonsalves, 2005). And on December 6, 2005, NBC Universal began offering both its broadcast and cable shows on the iTunes store, (Littleon, 2005). Has Jobs succeeded in ushering in the age of video downloading, thereby reinventing the home video market for the digital age? It is too soon to tell, and so far these services do not offer downloads of full-length feature films. Still, the Video iPod is off to a good start, and serves as another example of how Apple is able to derive revenue from content that it does not produce.

In significant ways, the digital age has already arrived for the media industries, but at this point what that age will bring is open to debate. Indeed, if there is one constant in digital technology, it is that technology is always changing. Yet, Jobs was there when digital technology moved into the consumer market, he has weathered the constant changes of the industry, and even survived his own exile. His return and success also represent the constant evolution of the technology industry. Since his return to Apple his strategy has been to produce and promote products that anticipate the next phase in the digital media market. And to the degree that he has positioned Apple at the edge of digital entertainment, he himself has been held up as an industry hero. In spite of Jobs success, there are some that still question his new status in the industry: "He might be surprised to find that Hollywood closes its ranks to rebels,’ said (Roger) Kay, the IDC analyst. ‘By aspiring too high, too quickly,
that could be his downfall. But that story’s not told yet” (Steve bids, 2004, p. C3). Actually, it has been told, and it involved Icarus; but that is another myth entirely.

References


The Magician and the iPod: Steve Jobs as Industry Hero


The Magician and the iPod: Steve Jobs as Industry Hero


Top 20 innovative companies in the world. (2005, August 1). Business Week Online. Available at: http://www.businessweek.com/magazine/content/05_31/b3945407.html


Credentials, Strategy and Style: The Relationship between Leadership Characteristics and Strategic Direction in Media Companies

Dan Shaver and Mary Alice Shaver

Abstract

Using the Boston Consulting Group Model for classifying business units, this study examines the impact of demographic characteristics of CEOs of media firms on strategic approach. The study focuses on firms with large media holdings in several areas and considers job history, education and power issues. It identifies statistically significant relationships between primary occupation, age, undergraduate education, gender, years as CEO and family connection status and financial/operational decisions affecting individual media units classified according to the BCG model.

Introduction

Although a rich body of literature has developed over the past three decades devoted to the nature of business strategies and their development, little attention has been paid to the strategies of firms involved in media industries specifically and even less has been focused on the role of the CEO in strategic development and how that role may be affected by the experience or background of individual CEOs.

To some degree, this is not particularly surprising. For decades, most media enterprises tended to operate within industrial silos, usually with an oligopolistic industrial structure. Within such a context, competition based on price and differentiation (in content, service or artificially created through marketing) tended to serve most players well, and there was little incentive to consider broader strategic issues.

More recently, however, the effects of consolidation both within and across media industries have dramatically altered the competitive environment. Media enterprises must not only compete with each other in external markets but must also compete for attention and resources within the structure of increasingly transnational conglomerates.

This study examines the relationship between the backgrounds and personal demographic characteristics of 34 CEOs in 25 companies with significant media components and the performance of their companies in managing complex business portfolios--some mixing media and non-media segments--between the years 1996 and 2004. It also suggests that the identification and
analysis of corporate and industry level strategy may be facilitated by understanding behavior associated with key demographics of CEOs in media firms.

Literature Review

Much of the literature about the characteristics that CEOs bring to their jobs has been demographically descriptive and focused on samples from Fortune 500 companies. Boone and Kurtz (1988) focused on the regions in which they were born, their educational majors and graduate degrees, primary career emphasis (the areas in which they began their careers), length of time on the job before they became CEO, and ages. Similarly, Chandy (1991) focused on age, length of service with the firm, family background and education.

A few studies have sought to link CEO characteristics with strategic planning issues. Hise and McDaniel (1983) surveyed 236 CEOs from Fortune 1000 companies and identified several statistically significant linkages. Age was found to be a predictor of the individual’s view of strategic planning as important to the future growth of the company and of the CEO’s present level of personal involvement in the planning process. Length of tenure was also found to be related to personal involvement in the strategic process. Previous work experience was significantly related to both current and anticipated future involvement in strategic planning. Educational characteristics were linked to perceptions of the importance of strategic planning to both the present and future well-being of the firm and to anticipated personal involvement in the future.

Noel (1989) used ethnographic techniques to identify the ways in which CEOs’ individual passions—shaped in part by life experiences—affect the development and direction of the firm’s strategic focus. More recently scholars have sought to understand how the characteristics that CEOs bring to their jobs affect basic business activities, such as Research and Development (Gwynne, 2003). Hermann & Datta (2002) focused on how a CEO’s experiences frame entry strategies into new markets. Others continue to argue that no common set of characteristics is likely to ever be identified.

The current study focuses on CEOs of firms with large media holdings in several areas. Because previous research has been so limited and largely focused on CEOs of non-media firms, this study was designed to identify characteristics that appear to be related to the strategic performance of media firms or provide special skills or strengths to media CEOs. Detail was limited to availability via public records. The data focused on job history, education, and power issues—ownership levels and whether or not the key roles of chairman of the board and president were routinely combined. Selection of these issues was based on Hise & McDaniel’s (1983) findings that these factors were related to strategic planning perceptions and activities.
Method

An initial sample of firms with significant media components was drawn from a Columbia Journalism Review list of the top 50 media firms. After removing those for which comparable data were unavailable, either because of inconsistent accounting procedures or because they are not publicly held and subject to SEC reporting requirements, the list was reduced to the following 25:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CanWest</td>
<td>Gannett</td>
<td>News Corp.</td>
</tr>
<tr>
<td>Clear Channel</td>
<td>Emmis Communications</td>
<td>Rogers Communication</td>
</tr>
<tr>
<td>Cumulus Media</td>
<td>Knight-Ridder</td>
<td>E. W. Scripps Co.</td>
</tr>
<tr>
<td>Disney</td>
<td>LIN TV</td>
<td>Sony.</td>
</tr>
<tr>
<td>Dow Jones</td>
<td>McClatchy Co.</td>
<td>Time Warner</td>
</tr>
<tr>
<td>Entercom Communications</td>
<td>McGraw-Hill</td>
<td>Viacom</td>
</tr>
<tr>
<td></td>
<td>Meredith Corp.</td>
<td></td>
</tr>
</tbody>
</table>

With the exception of Sony, all of these firms are headquartered in North America, but a substantial proportion has significant global operations in one or more media segment.

Between 1996 and 2004, these firms were headed by 34 CEOs and operated business units in 26 business SIC codes. (SIC codes were adopted as the method of identifying and comparing firms because of the unreliability of the 'unit names' often associated with business segments in annual reports and other public disclosures.)

Data were gathered concerning the financial operations of individual segments for the time studied. Specific attention was paid to revenue, expenses, operating profit, changes in asset value and capital investment. Data were collected from company web sites, electronic databases, company reports, SEC filings and other public sources.

After eliminating business lines that were unrelated to media operations (for example, Disney's amusement parks and gift shops, a paper mill owned by CanWest, Sony's life insurance business, and radio and television repair) and those segments for which there were too few cases to be reasonably compared (outdoor advertising, games, toys, and children's vehicles, etc.), the following nine business segments proved suitable for analysis:
Table 1: Business segments analysed

<table>
<thead>
<tr>
<th>SIC</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2711</td>
<td>Newspaper Publishing</td>
</tr>
<tr>
<td>4833</td>
<td>Television Broadcasting Stations</td>
</tr>
<tr>
<td>7375</td>
<td>Information Retrieval Services</td>
</tr>
<tr>
<td>4841</td>
<td>Cable and Other Pay TV Services (Delivery/MSO)</td>
</tr>
<tr>
<td>4841</td>
<td>Cable and Other Pay Television Services (Content and Networks)</td>
</tr>
<tr>
<td>7812</td>
<td>Motion Picture &amp; Video Production</td>
</tr>
<tr>
<td>4832</td>
<td>Radio Broadcasting Stations</td>
</tr>
<tr>
<td>2721</td>
<td>Periodicals (Magazines)</td>
</tr>
<tr>
<td>2731</td>
<td>Book Publishing</td>
</tr>
</tbody>
</table>

Financial data were used to classify each unit according to the Boston Consulting Group’s (1973) matrix. The BCG matrix and the associated strategies for managing portfolios have been criticized as failing to recognize that market share is not the only factor contributing to the success of a business, and that growth is only one factor defining attractive markets. Nonetheless, it remains a useful tool for conceptualizing the past operating results of business units in a conglomerate environment and is congruent with Jack Welch’s strategic adage at General Electric—'If you can’t be first or second in a market, get out and invest your resources where you can’ (Value Based Management.net).

Classifying companies into four quadrants based on rates of business growth (high/low) and market dominance (high/low), results in the identification of four kinds of firms. High growth firms with strong market share are called "Stars." They generate cash but they also can consume it in usual quantities. Business segments with low growth rates but substantial market share are referred to as "Cash Cows." The BCG model recommends reinvestment in "Cash Cows", but only to the degree required to maintain current market share or minimize market loss, so that excess cash can be generated to meet the needs of "Stars" or to develop "Question Mark" firms that present new entry or high risk opportunities.

Operationalizing the BCG key strategic approaches was based on data related to changes in capital investment from year to year, the rate of change in segment asset value and the rate of growth in operating income. The “Harvest” strategy for “Cash Cows,” for example, would reflect moderate but steady levels of capital investment necessary to maintain but not grow market share; low or slowly declining asset value as depreciation is barely offset by investment and a relatively flat growth in operating income. The “Invest and Grow” approach recommended for “Stars” and “Question Marks” was operationalized as growing capital investment, higher and growing value of segment assets, and a pattern of growth in operating income. Declining capital asset value, low or
The Relationship between Leadership Characteristics and Strategic Direction in Media Companies

non-existent capital investment in the segment unit and low or declining operating income growth, reflected the "Liquidate and Exit" strategy. Strategic indexes were calculated based on the individual firm's performance in variables measuring change in asset value, change in levels of capital investment and changes in sales volume with "average" or steady ratings assigned to change rates between the 40th and 60th percentile, "increasing" ratings assigned to levels above the 60th percentile and "decreasing" ratings assigned to levels below the 40th percentiles. Strategies were classified as "Harvest" if sales change rates were low or average, assets were flat or declining, and capital expenditure was average or low. "Invest and Grow" strategies for "Stars" were identified based on average or high sales growth change, average or high growth in asset values and average or high growth in capital investment rates. Markers for the "Invest and Grow" strategy for "Question Marks" were slightly different. Sales growth rate could be low or average, but asset values and capital investment rates were required to be average or high. The "Liquidate and Exit" strategy recommended for "Dogs" was identified as low or average growth in sales, low asset growth and low capital investment growth.

Classifying segment unit operations with the four BCG categories presented some difficulties. To ascertain relative profitability, the 75th quartile range for after-tax return on sales were drawn from the Dow Jones Industry Norms and Key Business Ratios database and used to establish a benchmark. Firms in individual segments that exceeded the 80th percentile in their SIC peer group received "high" ratings on the growth dimension. Market growth metrics for the context of the study were based on changes in the proportional distribution of market share within the closed group defined by the 25 firms and their segment operations.

A stepwise regression was used to determine which demographic characteristics provided predictive value regarding whether media CEOs made strategic decisions in terms of capital investment that reflected the four basic approaches from the BCG model and to other performance benchmarks reflecting the creation of shareholder value.

Two measures were used to operationalize the creation of shareholder value: Return on Investment and Return on Sales.

Findings

The CEO group included 34 individuals from 33 to 82 years old. All but two were male. Their average length of employment at the company they head is just over 25 years, though the range is from three years to 51 years. A majority of the CEOs reviewed (about three-quarters) hold the additional title of Chairman of the Board. Just more than 15 percent of the media CEOs have MBAs, 29.6 percent hold law degrees, and virtually all have at least a Bachelor's degree. About 35 percent of them began life after college as either a journalist or a manager in a media company. Most of the rest began careers in the law
(29.5 percent), finance/banking or consulting (17.5 percent) or broadcasting (11.5 percent). About twenty-percent of the sample consists of founders of the company they run. Just more than another twenty-percent is made up of relatives of the founder.

The initial BCG model classification of media units resulted in some surprises. Initial results suggested a smaller than anticipated proportion of “Cash Cows,” even in SIC classifications where common agreement and lore supports their existence—such as newspapers. The results indicated that “Cash Cows” represent a surprisingly low proportion of media segments in the companies under study and that “Question Marks” are unexpectedly high.

Table 2: Distribution of Media Segments based on BCG Model

<table>
<thead>
<tr>
<th></th>
<th>Stars</th>
<th>Cash Cows</th>
<th>Dogs</th>
<th>?? ??</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newspapers</td>
<td>15</td>
<td>17.1%</td>
<td>1</td>
<td>1.2%</td>
</tr>
<tr>
<td>Television</td>
<td>17</td>
<td>18.1%</td>
<td>1</td>
<td>1.1%</td>
</tr>
<tr>
<td>Broadcasting</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td>19</td>
<td>18.3%</td>
<td>7</td>
<td>6.7%</td>
</tr>
<tr>
<td>Retrieval</td>
<td>18</td>
<td>17.6%</td>
<td>1</td>
<td>0.9%</td>
</tr>
<tr>
<td>Cable (Service)</td>
<td>18</td>
<td>17.6%</td>
<td>1</td>
<td>0.9%</td>
</tr>
<tr>
<td>Cable (Content)</td>
<td>10</td>
<td>17.8%</td>
<td>2</td>
<td>3.6%</td>
</tr>
<tr>
<td>Creation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motion Picture &amp; Video</td>
<td>6</td>
<td>6.1%</td>
<td>3</td>
<td>9.1%</td>
</tr>
<tr>
<td>Radio Broadcasting</td>
<td>7</td>
<td>15.6%</td>
<td>1</td>
<td>2.2%</td>
</tr>
<tr>
<td>Periodicals</td>
<td>4</td>
<td>11.1%</td>
<td>2</td>
<td>5.6%</td>
</tr>
<tr>
<td>Book Publishing</td>
<td>4</td>
<td>11.7%</td>
<td>11</td>
<td>32.3%</td>
</tr>
</tbody>
</table>

One possibility is that the standards imposed on either the growth measure or the market share measure could be misaligned. If the growth measure were too low, some “Cash Cows” would be misidentified as “Stars” and some “Dogs” as “?? ??”. Imprecision in the Market Share variable would have a similar effect, confounding “Stars” with “?? ??” and “Cash Cows” with “Dogs.” The large percentage of “?? ??,” also sometimes called “Question Marks” or “Wild Cards” in the literature, is suggestive, however. If too low a threshold for the growth variable were thrusting “Dogs” into “Wild Cards,” wouldn’t the effect be seen across the board? Possibly, more precision regarding the growth and market share variables—at least in the establishment of cutoff points for “high” and “low”—is required.

On the other hand, it is quite possible that the results reflect the current economic and market uncertainties facing traditional media industries as a result of digital technologies, evolving regulatory and audience parameters, and efforts by CEOs in traditional mass communication industries to reinvent their companies with new and supplemental business models.
The Relationship between Leadership Characteristics and Strategic Direction in Media Companies

When regression was used to examine relationships between financial/operational decisions affecting individual units based on the recommended BCG model, six demographic characteristics emerged as significant. They were:

Table 3: Demographic Factors Predictive of Consistency with the BCG Model

<table>
<thead>
<tr>
<th>Demographic Variable</th>
<th>Adjusted R²</th>
<th>F Value</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Occupation</td>
<td>.191</td>
<td>48.60</td>
<td>P &lt; .001</td>
</tr>
<tr>
<td>Age</td>
<td>.239</td>
<td>13.75</td>
<td>P &lt; .001</td>
</tr>
<tr>
<td>Undergraduate Education</td>
<td>.280</td>
<td>12.44</td>
<td>P = .001</td>
</tr>
<tr>
<td>Gender</td>
<td>.303</td>
<td>7.61</td>
<td>P = .006</td>
</tr>
<tr>
<td>Number Years as CEO</td>
<td>.317</td>
<td>4.96</td>
<td>P = .027</td>
</tr>
<tr>
<td>Family Connection Status</td>
<td>.348</td>
<td>10.36</td>
<td>P = .002</td>
</tr>
</tbody>
</table>

Cross tab analysis indicates that CEOs with primary occupations in media management or journalism, law tend to be less congruent with the BCG model while those with primary occupations in finance/investment banking/consulting tend to be highly compliant. Those with backgrounds in broadcasting fall in the middle, but tend toward more traditional strategies ($\chi^2 = 107.49$, df=24, p<.001). Table 4 reflects specific differences in the mean compliance ratings with higher numbers indicating less levels of congruency with the BCG strategies.

Table 4: Strategic Conformity Differences Based on Original Occupation

<table>
<thead>
<tr>
<th>Comparison</th>
<th>Means</th>
<th>T value</th>
<th>DF</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media Mgmt./Journalism vs. Law</td>
<td>3.12/2.59</td>
<td>2.159</td>
<td>128</td>
<td>P=.033*</td>
</tr>
<tr>
<td>Media Mgmt./Journalism vs. Finance/Banking/Consulting</td>
<td>3.12/1.53</td>
<td>-6.316</td>
<td>103</td>
<td>P&lt;.001*</td>
</tr>
<tr>
<td>Media Mgmt./Journalism vs. Broadcasting</td>
<td>3.12/1.88</td>
<td>3.928</td>
<td>91</td>
<td>P&lt;.001*</td>
</tr>
<tr>
<td>Media Mgmt./Journalism vs. Other/Unknown</td>
<td>3.12/1.31</td>
<td>-4.650</td>
<td>80</td>
<td>P&lt;.001*</td>
</tr>
<tr>
<td>Law vs. Finance/Banking/Consulting</td>
<td>2.59/1.53</td>
<td>-4.703</td>
<td>95</td>
<td>P&lt;.001*</td>
</tr>
<tr>
<td>Law vs. Broadcasting</td>
<td>2.59/1.88</td>
<td>2.496</td>
<td>83</td>
<td>P=.015*</td>
</tr>
<tr>
<td>Law vs. Other/Unknown</td>
<td>2.59/1.31</td>
<td>3.258</td>
<td>72</td>
<td>P=.002*</td>
</tr>
<tr>
<td>Finance/Banking/Consulting vs. Broadcasting</td>
<td>1.53/1.88</td>
<td>-1.799</td>
<td>58</td>
<td>P=.052</td>
</tr>
<tr>
<td>Finance/Banking/Consulting vs. Other/Unknown</td>
<td>1.53/1.31</td>
<td>.885</td>
<td>47</td>
<td>P=.380</td>
</tr>
<tr>
<td>Broadcasting vs. Other/Unknown</td>
<td>1.88/1.31</td>
<td>1.638</td>
<td>35</td>
<td>P=.110</td>
</tr>
</tbody>
</table>

* Difference is statistically significant.
A Pearson Correlation of the association between the CEO’s age and their likelihood of adopting non-traditional strategic approaches for media units was positive and significant ($r^2 = .272$, $n=203$, $p<.001$).

Analysis of the relationship between undergraduate majors and traditional approaches to strategy indicates a higher level of non-conformity in graduates with degrees in some subject areas than in others. Table 5 illustrates the results.

**Table 5: Comparison of CEO Strategic Conformity Based on Undergraduate Degree**

<table>
<thead>
<tr>
<th>Comparison</th>
<th>Means</th>
<th>T value</th>
<th>DF</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business/Economics vs. Government/Political Science</td>
<td>1.61/1.95</td>
<td>-1.446</td>
<td>41</td>
<td>P=.156</td>
</tr>
<tr>
<td>Business/Economics vs. Humanities/Literature</td>
<td>1.61/1.63</td>
<td>-0.079</td>
<td>29</td>
<td>P=.938</td>
</tr>
<tr>
<td>Business/Economics vs. Communication/RTV/Journalism</td>
<td>1.61/3.18</td>
<td>-4.098</td>
<td>55</td>
<td>P&lt;.001*</td>
</tr>
<tr>
<td>Business/Economics vs. Other/Unknown</td>
<td>1.61/2.48</td>
<td>-3.144</td>
<td>139</td>
<td>P=.002*</td>
</tr>
<tr>
<td>Government/Political Science vs. Humanities/Literature</td>
<td>1.95/1.63</td>
<td>0.868</td>
<td>26</td>
<td>P=.393</td>
</tr>
<tr>
<td>Government/Political Science vs. Communication/RTV/Journalism</td>
<td>1.95/3.18</td>
<td>-2.820</td>
<td>52</td>
<td>P=.007*</td>
</tr>
<tr>
<td>Government/Political Science vs. Other/Unknown</td>
<td>1.95/2.48</td>
<td>-2.100</td>
<td>31</td>
<td>P=.044*</td>
</tr>
<tr>
<td>Humanities/Literature vs. Communication/RTV/Journalism</td>
<td>1.63/3.18</td>
<td>-4.353</td>
<td>38</td>
<td>P&lt;.001*</td>
</tr>
<tr>
<td>Humanities/Literature vs. Other/Unknown</td>
<td>1.63/2.48</td>
<td>-3.913</td>
<td>14.2</td>
<td>P=.002*</td>
</tr>
<tr>
<td>Communication/RTV/Journalism vs. Other/Unknown</td>
<td>3.18/2.48</td>
<td>2.109</td>
<td>43.8</td>
<td>P=.041*</td>
</tr>
</tbody>
</table>

* Difference is statistically significant.

Although the regression analysis indicated that gender was a statistically significant predictor of strategic conformity, ANOVA and correlation analysis failed to confirm statistically significant differences. This may be due to the fact that the sample size for female media CEOs was much smaller (only two) than the sample for males. Correlation analysis also failed to confirm the relationship between Years as CEO and strategic conformity.

Analysis of the Family Connection variable suggests that founders are significantly less conventional than outside CEOs. Family members are slightly less conventional in their strategic decisions than outsiders, but the difference is not significant. The difference is also non-significant between family members and founders. Table 6 shows the results.
The relationship between leadership characteristics and strategic direction in media companies.

Table 6: Strategic Conformity Differences Based on Family Connection Status

<table>
<thead>
<tr>
<th>Comparison</th>
<th>Means</th>
<th>T value</th>
<th>DF</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outsider vs. Family Member</td>
<td>2.16/2.43</td>
<td>-1.367</td>
<td>157</td>
<td>P=.174</td>
</tr>
<tr>
<td>Outsider vs. Founder</td>
<td>2.16/3.05</td>
<td>-3.034</td>
<td>54</td>
<td>P=.004*</td>
</tr>
<tr>
<td>Family Member vs. Founder</td>
<td>2.43/3.05</td>
<td>-1.762</td>
<td>81</td>
<td>P=.082</td>
</tr>
</tbody>
</table>

* Difference is statistically significant.

The family connection variable may merit closer attention. The family connection variable was negatively correlated with operating margins in the newspaper publishing segment (-.236, p=.025), television broadcasting (-.231, p=.017), and information retrieval services (-.426, p=.001), but was not significantly related to changes in these variables. It was also positively correlated with margins in the motion picture and video production segment (.387, p=.014) and asset value (.250, p=.015). In other words, increases in the degree of family control in newspaper publishing, television and information retrieval services reduces operating margins while decreases in family influence in the motion picture and video production industry actually result in increased margins. The effects are not the same.

Although several of the three shareholder value variables are significantly correlated, the compliance with traditional strategy variable does not significantly correlate with any of the shareholder value variables at the corporate level. Although it is likely that further analysis at the segment level will reveal correlations—positive or negative—from strategic deviations, that is beyond the scope of the current study. Table 7 outlines the correlations between strategic conformity and the shareholder value measures.

Table 7: Correlations between Strategic Conformity and Shareholder Value Measures

<table>
<thead>
<tr>
<th></th>
<th>Strategic Compliance</th>
<th>ROS</th>
<th>ROI</th>
<th>Asset Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Compliance Index</td>
<td>1.000</td>
<td>-.120 (p=.096)</td>
<td>-.026 (P=.718)</td>
<td>-.010 (p=.896)</td>
</tr>
<tr>
<td>Return on Sales</td>
<td>-.120 (p=.096)</td>
<td>1.000</td>
<td>.618* (p&lt;.001)</td>
<td>.571* (p&lt;.001)</td>
</tr>
<tr>
<td>Return on Investment</td>
<td>-.026 (p=.718)</td>
<td>.618* (p&lt;.001)</td>
<td>1.000</td>
<td>.295* (p&lt;.001)</td>
</tr>
<tr>
<td>Asset Change after Capital Investment</td>
<td>-.010 (p=896)</td>
<td>.571* (p&lt;.001)</td>
<td>.295* (p&lt;.001)</td>
<td>1.000</td>
</tr>
</tbody>
</table>

* Statistically significant.

Other demographic variables, however, are significantly associated with the shareholder value measures. Return on sales (for the entire conglomerate) are
negatively correlated with the age of the CEO (-.233, p=.001, n=195) and positively correlated with the total years for which the CEO has worked in the media (.277, p=.001, n=195).

Return on investment is negatively correlated with work experience in newspapers (-.400, p<.001, n=195), negatively correlated with family connections (-.310, p<.001, n=195) and positively correlated with total years of experience working in media (.271, p<.001, n=195). Regression analysis using these three demographics indicates an adjusted $R^2$ of .198 (p<.001).

**Discussion**

While all these relationships are very interesting, how do they facilitate the work of media scholars and what practical implications do they have for media firms?

In the mid-1980s, industrial psychologists in the United States became adept at developing instruments known as 'biographical questionnaires' to aid companies in making hiring decisions for certain jobs. These instruments were usually focused on predicting a single—or, at most, two or three—behavioral dimensions for the prospective employee because increasing the number of variables being predicted increased the complexity of development and validation exponentially.

The interesting aspect of these instruments was that they were not tests—not measures of either psychological orientation or of skills possessed. They simply asked about demographic factors—number of siblings, age when the respondent first spent the night away from home, etc. But they were amazingly accurate in identifying a range of behaviors from promotional progress, to job performance and leadership characteristics (Carlson, Scullen, Schmidt & Erwin; Mumford & Whetzel; Russell, Mattson, Devlin & Atwater). They were based on the premise that certain clusters of demographic characteristics are statistically associated with certain kinds of behavior.

The demographic variables examined in this study are associative with strategic behavior and firm performance. While we cannot assign causal relationships, we can assign statistically significant predictive values.

One of the difficulties encountered by scholars studying strategy and strategy development in all industries is the limited availability of information. Campbell-Hunt’s (2000) meta-analysis of the literature on competitive strategy—intended to assess the degree to which empirical research can support or inform theoretical strategic research—concluded that possibilities exist but there may be natural limitations. The inability to access detailed business segment data—and the co-mingling and shuffling of operations and funds by firms—often thwarts researchers’ efforts as individual media firms seek to maintain or enhance competitive advantage in their market(s). Identifying demographic characteristics associated with certain strategic or tactical behaviors can enable scholars to more effectively understand and predict firm behavior.
Consider the need to develop an analysis of the strategic strengths and weaknesses — and the strategic ploys — of a newspaper company about which you have little or no personal knowledge. Where does one start? Just as a focus group may generate results that, while not generalizable, may provide the information needed to develop an effective questionnaire which is generalizable, a demographic approach to strategy development and analysis may facilitate the identification of variables to investigate and questions to ask. Consider these findings from the data:

There is a positive correlation between the age of the CEO and whether the CEO and Board Chairman offices are combined (.456, p<.001, n=206). There is also a positive correlation between the age of the CEO and total assets (.256, p<.001, n=197) and age and capital investment (.270, p<.001, n=188).

With a larger database and expanded variables, the technique could be used forensically to assess the overall strategic response of a company or an industry to changing economic conditions. Some would suggest, for example, that newspaper publishing is a mature industry with a declining market but an industry that is likely to continue to generate substantial returns for decades. The BCG model — and many economists — would argue that the rational strategy for newspaper publishers under those circumstances would be to “harvest” their print product line by minimizing investment and maximizing profits that can be used to develop alternative revenue streams such as online products.

To explore this claim would require several steps. First industry data must be analyzed to determine whether the assumptions are accurate. That requires benchmarks that place the operating units within the industry (or the firm) on the BCG scale. To test this hypothesis, both mature, high-profit newspaper operations (“Cash Cows”) and startup, high-risk/high-potential operations such as online products (“Question Marks”) must be identified on the basis of growth and market share characteristics. If “harvesting” is occurring, then capital investment in the print assets must be declining while investment in the “Question Mark” or “Wildcat” ventures should be increasing. Is that occurring?

Other variables besides demographics clearly come into play in assessing the strategic direction of a firm. The demographic predictors associated with a CEO are moderated by the power of the CEO relative to the Board of Directors and even to the heads of various media segments within the corporation. Developing a forensic model would require additional information about these variables.

Limitations

This study provides support for the link between top executive demographics and strategy development in media firms. The relationships are not universal,
but they are statistically significant, which makes them potential predictors of behavior and merits further study.

The sample size was relatively limited and incomplete. Not all data were available for each of the 25 firms studied for every year and some firms—like Time Warner—simply don’t have compatible corporate dates that is more than four years old.

**Future Directions**

Although the current data set is limited, more analysis is merited, particularly on structural or competitive differences between industry segments that result in positive correlations to key operational variables in one industry and negative correlations to the same variable in a different industry. Better understanding those differences will increase the understanding of both the nature of the demographic variables and the structural/competitive differences between the media industries affected. More detailed attention on the relationship of demographic variables, strategic actions affecting specific media segments within the corporation and the result of those actions in terms of shareholder value is warranted.

Both the time frame, the variety of firms included and the number of variables should be expanded to add more power to future analyses. Developing a model that maximizes demographic predictive power probably also requires including a larger cross-section of the corporate power structure. Adding information about directors — their background, length of service, specializations and connections to the firm — would be a first step. Expanding the internal database to include basic demographic information about chief operating executives of each media segment would be another.

Another variable affecting strategic decisions is perceptions of external industry and competitive influences. While interpretation of these issues — and reaction — may be tempered by demographic factors, the analysis could be enriched by adding content analysis variables based on content analysis of CEO public statements in annual reports, SEC filings and press releases.

**Conclusions**

The task of sorting out and identifying strategic responses to evolving industry conditions is an important but difficult challenge. It is becoming even more difficult in the evolving media environment of the 21st Century when changing audience and technological variables are dramatically altering the traditional mass communication markets.

Analytical techniques that identify and evaluate evolving responses across industry barriers by operating units within conglomerates and identifying the factors that most powerfully affect the firm’s chief strategist — the CEO — are critical to that understanding. The present study supports earlier work linking
The Relationship between Leadership Characteristics and Strategic Direction in Media Companies
certain kinds of strategic behavior to demographic variables and suggests that
connections can be made between those — and other — variables and critical
operating measures for media conglomerates.
It also suggests that the BCG model represents a valuable tool for evaluating
how managers have managed their portfolios. Capable of being modified and
expanded, it provides flexibility and the ability to sort large numbers of
operating units into proper categories using basic business statistics very
quickly. Further exploration and development of this tool is recommended.

References
Interactivity and Leadership Effectiveness: A Concept Review and Analysis of Email as an Interactive Leadership Tool

Paul Murschetz

Abstract

This article offers preliminary explanations of how executive managers perceive and use interactive email communication to improve their performance. The concept of interactivity is reviewed and managers’ use of email as an interactive leadership tool is empirically tested. It is proposed that interactivity contributes to leadership effectiveness at three levels: it changes modes of adoption and use of technology of executive managers, it affects behavioral interactions between leaders and their subordinate team members; and it alters the perceptions of both interaction partners. The findings support the view that managers perceive email as an important instrument to improve their leadership performance, and that all three dimensions of interactivity, i.e. technology, communication process, and perception, contribute to the effectiveness of email as an interactive leadership tool.

Introduction

Developing leadership talent is critical to success in a changing business environment. Leaders are considered as main contributors to business success in that they mobilize their employees around a shared vision and strategy in order to achieve results. Leadership effectiveness is however constrained by multiple barriers (Bostrom & Heinen, 1977). The choice, adoption and use of interactive media and information technologies can make a contribution, but need not improve the effectiveness of leaders at all. Resistance to or an inability to use interactive technologies may limit task achievement, communicative efficiency, and thus overall organizational success.

What role does interactivity play in changing leaders’ adoption and use of technology? Interactivity is usually thought of as a key characteristic of new media, notably the Internet. It allows multi-directional communications between senders and receivers, offers complex choices of content, requires some user effort, is responsive to users, monitors information use, makes it easy to add information, and facilitates interpersonal communication (McMillan, 2005). Although the use of interactivity in every-day management is growing in that managers use interactive technologies for organizational communications, theoretical understanding of this phenomenon remains elusive. Bucy (2004:
Jönköping International Business School

375) summarized his disappointment at the lack of a bona fide theory of interactivity as follows:

Interactivity has been identified as a core component of new media, yet despite nearly three decades of analysis, we scarcely know what it is, let alone what it does, and have scant insight into the conditions in which interactive processes are likely to be consequential for members of a social system.

Similarly, understanding of leadership effectiveness also remains elusive. Firstly, there is a longstanding and substantial debate over what constitutes leadership (e.g., Burns, 1978): the subject of leadership encompasses individual traits, leadership behaviors and styles, interaction patterns between the interacting partners, role relationships, organizational culture, and situational and environmental contexts. Secondly and consequently, defining leadership effectiveness is problematic. Dhar and Mishra (2001: 255) summarize the debate as follows:

Most researchers evaluate leader effectiveness in terms of the consequences of the leader's actions for the followers and other stakeholders using different types of outcomes. They include the performance and growth of leads, group or organization, its preparedness to deal with challenges or crisis, follower's satisfaction with the leader, follower's commitment to the group objectives, the psychological well-being and development of the followers, the leader's retention of high status in the group and the leader's advancement to higher positions of authority on the organization. The most commonly used measure to leadership effectiveness is the extent to which the leader's organizational unit performs its task successfully and attains its goals. In some case, objective measures of performance or goal attainment are available, such as profits, profit margin, sales increase, market share, sales relative to targeted sales, return on investment, productivity, cost per unit of output, cost in relation to budgeted expenditure, and so on. In some cases, subjective ratings of effectiveness are obtained from the leader's superiors, peers, and subordinates.

This study looks at a central subjective measure of leadership effectiveness: the cost effectiveness of email communication between leaders and their employees. Cost effectiveness is understood as cost savings arising from time-saving effects, improvements in decision-making effectiveness, and improvements in employee motivation.

Research Questions, Objectives and Methodology

The preceding discussion raises two sets of research questions:

a) Exploring the nature of interactivity: What is interactivity? How can it be explained?
b) Epistemological issues concerning the impact of interactivity (as an independent variable) on leadership effectiveness (as a dependent variable): How does interactivity affect leadership effectiveness?

Empirical research on the relationship between interactivity and leadership effectiveness is sparse. However, interactivity does feature as a conceptual substratum in a variety of theories in various disciplinary frameworks, notably computer-mediated communications (CMC). This paper therefore explores the appropriateness of CMC theories for this research.

The main objective of this study is to offer some preliminary explanations for the relationship between interactivity as a central feature of technology and communications activities, and its managerial adoption and use, as well as its perceived usability by leaders to improve individual and organizational performance.

The following methodology was used: The first step was a multi-disciplinary literature review that explored the core properties of interactivity. The purpose of this review was to identify hypotheses concerning interactivity which can serve as conceptual nodes for bridging the issues of interactivity and leadership effectiveness.

Secondly, a questionnaire was used to empirically test hypotheses regarding the use of interactive communication by email and its effectiveness as a leadership instrument. The sample drew on managers in Switzerland in diverse cross-industry companies. The theoretical framework drew mainly on media richness theory (MRT) which is part of Computer-Mediated Communication (CMC) systems research.

The remainder of this paper is organized as follows: The next section presents a review of research into the concept of interactivity from multiple research disciplines. The subsequent section discusses potential conceptual bridges from interactivity to leadership effectiveness from selected disciplines and sub-set theories. Specific literatures from the media richness theory (MRT) framework are selected that identify the managerial use of interactive technology and apply this as a constitutive construct for leadership performance. This is important because one of the primary objectives of this study is to provide some (albeit preliminary) theoretical foundations upon which managers can make decisions about the use of interactive information technologies. This is exploratory in orientation because investigations into interactivity-induced leadership effectiveness are at an early stage and a theoretical model of the relationship between these entities does not exist. The next section presents empirical evidence as to the use of interactive email technology and its impact on the leadership effectiveness of managers across diverse industries in Switzerland. The paper concludes with a discussion of these results and of further research needs.
Interactivity – A Literature Review

The Academic Debate

The academic debate about interactivity has been repeatedly criticized. Terminological confusion and misuse, a fixation with taxonomy, a lack of scientific progress, an absence of analysis, and a widespread desire to make interactivity the new magic feature of user empowerment are seen as having weakened the academic relevance of the concept (McMillan, 2005; Bucy, 2004).

If there is any common explanation for this confusion, it may originate from the concept’s hybrid intellectual architecture. Indeed, research on the concept of interactivity is confronted with three main difficulties.

Firstly, interactivity is a ‘multi-discursive’ concept: significantly different meanings and connotations can be found according to their use within different discourses. Communication theory, for example, derives the concept of ‘interactivity’ from ‘social interaction’ in sociology and social psychology (e.g., Goffman, 1967). There, interaction is defined as mutually interdependent social action between individuals (Jäckel, 1995). Informatics, by contrast, introduces interactivity by referring to software which accepts and responds to inputs from humans in an interactive human-computer dialogue. A corollary is that interactivity is addressed by many different theoretical research traditions and academic disciplines (Heeter, 2000) and consequently differences in how it is observed, defined, and interpreted are significant. According to Heeter (2000: 1):

On the human side, communication theory, graphic and industrial design, linguistics, social sciences and cognitive psychology, and human performance are relevant. And, of course, engineering and design methods are relevant.

Technological issues, on the other hand, are covered by disciplines such as cybernetics and systems theory, information theory, computer science and design, information systems research and software engineering. Naturally, each of these core disciplines has developed its own language and meaning for the concept of interactivity. As it stands, epistemic approaches have remained largely mono-disciplinary and thus failed to capture the conceptual breadth of interactivity. Secondly, interactivity is considered a multi-dimensional and multi-attribute construct, defined by media technology and media features, interface design, content, human-computer interaction, human perceptions as well as situational and contextual aspects (e.g. task demands, organizational arrangements). There is as yet no scholarly agreement as to how these factors interrelate.

A third central caveat in discussing interactivity lies in the fact that a systematic analysis of interactivity is accompanied by its multi-efficacy. Indeed, research on the effects of interactivity has been inconclusive (Sundar, 2004) Scholars in interactive advertising effectiveness research, for example, have
found interactivity to have a positive impact on user attitudes (Cho and Leckenby 1999). Others argue, by contrast, that interactivity may even be detrimental to advertising effectiveness (Bezjian-Avery et al. 1998).

Interactivity is thus a complex concept. A preliminary conclusion is that the complexity of interactivity can only be captured by recognizing the multi-dimensionality of the phenomenon. Consequently, in addition to following the three object-related dimensions described above (i.e. technology, communication process, perception), this paper also recognizes three different viewpoints which are described below.

**Interactivity – A Systematic View**

There is no single definition of interactivity and three distinct epistemological approaches can be identified (following Jensen, 1998):  

a. *Interactivity as technology*: The concept of ‘interactivity’ as a function or feature of technology. This approach is rooted in Information Systems (IS) research and computer theory and focuses on structural properties of human-computer interaction. This view may be called the *technology-driven view of interactivity* and addresses issues of interactivity in interactive media technology environments from the technological-functional side of information transmission and reception, i.e. channel/network and media characteristics or technical attributes, and system quality. In particular, systems-related literatures such as IS and computer theory but also communications research introduce a set of technology-related properties and constructs of interactive communications in human-computer interactions. The underlying constructs of this view of interactivity are manifold: bi-directionality (McMillan, 2000), bandwidth, speed of response (Hanssen, 1996), symmetry and synchronicity (Burgoon et al., 2000) are all discussed in IS and computer theory and come to serve as core system requirements for interactivity on a techno-structural level.

b. *Interactivity as communication process*: The concept of interactivity as mode of social interaction and communication process. This view focuses on reciprocal social relations and processes of computer-mediated interaction between leaders and subordinates in organizations (Trevino et al., 1990). This view may be called the *communicative interaction-driven view of interactivity*. It looks at the communicative, social and individual dimensions of computer-mediated interactions. People play an important role in ensuring successful implementation and utilization of interactive media and information systems applications in any types of organizations. Rooted within CMC theory, this view refers to constructs of *reciprocity of participants* (Rafaeli, 1988), the *exchange of (symbolic) messages* (Rafaeli, 1988), *active user control* (Rice, 1984), *feedback* (Dennis & Kinney, 1998) and *participation* (Bonito et al., 2000). This approach is processual and focuses on dynamic activities such as social and communicative interchange and responsiveness that are central to interactivity (McMillan & Hwang, 2002). CMC theory in particular stresses the way by
which the communicators process social identity and relational cues (i.e. social information) using different media (Walther, 1992; Fulk et al., 1990). Early researchers in this domain adopted a ‘social cues’-perspective to criticize that text-based computer-mediated communication lacks physical and social cues (Sproull & Kiesler, 1986). More recent studies, however, emphasized the social construction that occurs over time in a CMC environment, which, in turn, influences the nature of user interactions (Walther, 1996). Both of these theoretical approaches hold valuable insights on how factors such as the temporal structure and the nature of identity facilitated by the communications environment have profound implications on the outcomes of social interactions as part of an interactive episode.

c. **Interactivity as human perception**: The concept of interactivity as mode of human perception and cognition which focuses on individual experiential processes of interactivity (McMillan & Hwang, 2002; McMillan, 2000). This view may be called the *human perceptions-related view of interactivity*. Burgoon et al. (2000), for example, suggested that perceptions of interactivity flow from individual involvement, mutuality, and individuation. Elsewhere, Burgoon et al. (2002) proposed that one way to conceptualize interactivity is based on the qualitative experiences that users equate with interactivity. For Lee (2000) the most important thing to be examined in measuring the level of interactivity is not counting the provisions of technological features, but investigating how users perceive and/or experience interactive features. Technology adoption, use, and impact models are a specific case within IS research (Ginzberg, 1981; Robey, 1979). In this context, the Technology Acceptance Model (TAM) involves a technology’s perceived usefulness and perceived ease-of-use as indicators of a user’s likelihood to adopt and use the technology (Bagozzi et al., 1992; Davis, 1989). Self awareness, responsiveness, sense of presence, involvement, and user control are further constituent psychological activities on this level of discussion.

Let me now turn to the question of what makes interactivity attractive for investigations into research of leadership effectiveness.

**Interactivity and Leadership Effectiveness – Theoretical Framework**

**Media richness theory**

Several theoretical approaches to communication processes have emphasized the role of executive managers to select effective communication media (see, for example, Russ et al., 1990). Considerable scholarly attention has been given to explanations focusing on the choice, use, and consequences of communication media (Hiltz & Turoff, 1986; Rice, 1984; Rice 1987; Short et al., 1976). Although various factors have been proposed to be influential in predicting an individual’s media choice (Culnan & Markus, 1987; Markus, 1994; Rice, 1992), the research has been dominated by the rational choice perspective that
focuses on media-task interaction. According to this perspective, media choice is objectively determined by the congruence between the inherent characteristics of the media and the requirements of organizational information processing tasks.

The rational choice perspective is represented by one of the most widely cited media choice theories: media richness theory (MRT). Daft and Lengel (1986) originally proposed this theory as starting from the question ‘Why do organizations process information?’ For them, media richness specified a process in which achieving a match between information processing requirements (i.e., uncertainty and equivocality reduction) and communication channels (e.g., face-to-face interactions and written memos) was posited as essential for organizational effectiveness.

The main premises of MRT are (Daft & Lengel, 1986: 560):

1. Communication media run along a hierarchy ranging from “rich” to “lean” according to their capability to process rich information, with face-to-face (f2f) communication being the richest. Other interactive media (such as the telephone or emails) that provide fewer cues (i.e. eye contact, gaze, blush etc.) or slower feedback are “leaner” (e.g., letter and memos, written documents).

2. The criteria for richness differences lie in the medium’s capacity for (a) immediate feedback, (b) the number of cues and channels utilized (i.e. the capability to convey meanings through cues like body language, voice, tones), (c) language variety (i.e. the capability to tailor message by using different types of languages to increase understanding, and (d) personalization (i.e. the extent to which a sender can customize the message to meet the individual needs of the receiver). Using these criteria, oral media (e.g., face-to-face and telephone) have been considered richer than written media because they provide opportunities for immediate feedback and can have multiple cues in a natural language.

3. Individuals choose media higher in richness for those managerial tasks higher in equivocality (i.e. where there are multiple and possibly conflicting interpretations to the available information) or ambiguity.

4. MRT has potentially important implications for managers because it suggests that performance improves when managers use richer media for equivocal tasks and leaner media for non-equivocal tasks (Daft et al., 1987). More concretely, email should not be used for messages that require richness but be reserved for communications such as transmission of facts and details (Adam et al., 1998).

MRT research has been criticized for a variety of reasons. Most importantly, empirical studies have called into question the validity of MRT and its framework for managerial decision-making about electronic communication media (Lee, 1994; Markus, 1994; Rice, 1992). In a study of interactive media such as email, for example, the notion of richness was found not to be an inherent property of the medium (Lee, 1994). This led some to argue that
modern communication medium, such as email, is in fact richer than has been thought (Markus, 1994; Sproull & Kiesler, 1986). Similarly, Dennis and Kinney (1998) found that although managers perceived differences in richness due to both cues and feedback, matching these rich media to task equivocality did not improve manager performance. Instead, use of media providing fewer cues (i.e. computer-mediated communication) led to slower decisions and more so for the less equivocal task.

This review of MRT provides the basic hypothesis for this study. According to MRT, managers view email as a ‘lean’ medium compared with richer oral communication and will chose email for simpler tasks. This gives rise to a hypothesis to be tested empirically: the effective managerial use of email as interactive IT application depends on the complexity of the task.

**Empirical Evidence – The Questionnaire**

The research method used in this study can be described as follows:

Phase 1: A questionnaire was developed based on academic literature and used to collect data (Dennis & Kinney, 1998; Lengel & Daft, 1988).

Phase 2: A sample of 40 managers across various industries was given structured questionnaires containing a total of six questions. 18 questionnaires were returned, four of which were invalid. Managers were asked to respond to three main question modules (the terms ‘leader’ and ‘manager’ were used interchangeably). Question Module A referred to the general use of email. Question Module B asked for more specific details of email as an interactive leadership tool applied, while Question Module C tackled the cost-effectiveness of email as an interactive leadership instrument. Respondents were given additional space for personal comments to each question module. Respondents could also select more than one answer.

The rationale for this questionnaire was twofold: Firstly, to test whether and to what extent managers considered email as an appropriate interactive tool for effective leadership in a real-life intra-organizational context. Secondly, to generate answers that inform on the nature and extent of interactivity in the managerial use of email. This included developing questions that tackle the three dimensions of interactivity and its underlying constructs analyzed in this study: technology, communication process, and perception.

The effectiveness of email as interactive IT application was analyzed with ‘leadership effectiveness’ as the dependent variable. The particular focus was cost-effectiveness as indicator for leadership effectiveness, although it is recognized that there are a variety of other measures for leadership effectiveness (such as employee satisfaction or manager preparedness in times of crisis).
Results

The results confirmed that managers use email as an interactive leadership tool. All respondents considered email as a valuable leadership tool.

The majority of managers (nine out of fourteen) found the speed of the medium as the main reason for selecting email as a leadership tool. Communication effectiveness was ranked second for seven managers. Placing instructions came third (five respondents). Twelve managers (out of fourteen) replied that organizational and administrative tasks were being completed by email, and only four respondents considered email as an appropriate medium for difficult tasks. Supporting this trend is the view that the majority of managers found routine day-to-day tasks best handled by email. When asked for evaluating the general effectiveness of email as a leadership instrument, most managers (ten out of fourteen) considered email as being equally effective to other leadership tools (e.g., f2f communication). When asked for a personal comment on the effectiveness of email as a leadership tool, one manager found that email was a valuable add-on for leadership but could not replace f2f staff appraisal. Email could best be applied for routine messages and when employees cannot be instructed by physical presence or by telephone. Additionally, email’s archiving function for leader’s instructions was raised as a further advantage.

When asked for more specific details of email as an interactive leadership tool, most managers (twelve out of fourteen) found speed and system reliability as being the most significant advantages. Five managers found that once email had been introduced, the number of employee reactions to manager instructions was improved. This could well be an indicator for higher and more intense interactivity of the communication process between managers and their employees as being induced by email technology. However, four managers considered email as an inappropriate medium and preferred other interactive media when tasks afforded it.

Managers were further asked to evaluate the cost-effectiveness of email as an interactive leadership tool. Thirteen out of fourteen managers praised the time-saving capacities of email as an information processing tool. Nine managers committed to the idea that email could more efficiently coordinate organizational tasks. Workflow and decision-making processes would be improved. Six managers thought that email improved their decision-making productivity and speed. Messages could be distributed quicker and even to physically distant employees. This would save time for drafting meetings. On the downside of speed, one manager commented that email would lead to communication failure as data glut would increase.

Overall, our findings support the view that managers perceive electronic mail as an important leadership instrument to improve their job performance. However, other leadership tools such as f2f communications with employees are seen as equally important if not superior when non-routine messages and
instructions have to be processed. This result is in line with MRT and confirms our conjecture.

It turned out that that the overall effectiveness of leadership by means of email communication addresses all three dimensions of interactivity — technology, communication process and perception. Email leadership would improve speed of communication (technology), intensify feedback with employees (communication process), and reduce communication time with employees (perceived cost effectiveness).

Conclusions and Future Research

Revisiting the central research questions brings the following preliminary results.

First, when reviewing the concept of interactivity from the selected theory domains and its respective strands, it is identified as a comprehensive term combining many dimensions. This paper uses a three-dimensional view of analyzing interactivity. It conceptualizes interactivity as a function of features of the communication technology or format, as constituent part of a social interaction and communication process between users or between users and technology interfaces and designs, and, thirdly, as human perception. Meanwhile, this three-dimensional approach has become standard in researching the phenomenon of interactivity (McMillan, 2005). Although there are disciplinary differences in observing, defining, and interpreting interactivity, interactivity needs to be analyzed from multiple disciplinary perspectives to grasp its complex nature.

Second, literature review suggests that a clear picture of the concept of interactivity and its relevance for leadership effectiveness research has not yet emerged. The problems are manifold but the biggest seems to be the nature of the concept of interactivity, which remains multi-faceted. The literature review shows that interactivity has epistemological value for researching leadership effectiveness on three levels: it may change modes of adoption and use of technology of executive managers, it may impact on behavioral interactions between leaders and their subordinates, and it may alter perception of the interaction partners. Saying this, a set of background theories within CMC (and partly IS research), notably media richness theory, are well worth further investigation for research into these preliminary findings. In order to improve the validity of analysis, however, more insightful questions and, consequently, pertinent hypotheses about the issues need to be to generated and further tested against empirical evidence. This is the more important as the issue of email interactivity has important implications for email management in real-life organizations (Rocheleau, 2002).

To include, the preliminary findings support the view that managers perceive electronic mail as an important leadership instrument to improve their job performance, and that all three dimensions of interactivity, technology,
communication process and perception, contribute to the performance success of email as an interactive leadership tool. Essentially, a more nuanced investigation needs to be made into the cost effectiveness of interactive email communications, since managers can choose media for symbolic purposes (Trevino et al., 1987), select communication media as negotiated in social interaction among the members of a group or use email for even the most complex of communications.

**Endnotes**

The doyen of interactivity research, Rafaeli (1988: 110) lamented the concept’s fluidity as follows: “Interactivity is a widely used term with an intuitive appeal, but it is an underdefined concept. As a way of thinking about communication, it has high face validity, but only narrowly based explication, little consensus on meaning, and only recently emerging empirical verification and actual role”. Similarly, reflecting upon how interactivity is used within the context of new media, Likewise, Heeter (2000, p. 2) pointed out that interactivity is an “overused, underdefined concept”. She referred to it as basically everything a human does. Seen this way, interactivity can be referred to as mediated social interaction. Following Heeter, interactivity occurs as a “synonym for navigation”, “good web design”, “mouse events” or “more complex programming in Javascript to provide logic for gaming or database calls to dynamically compose content”.

A typology of intellectual perspectives on technology-related and non-technology-related issues of interactivity has been developed by Kiousis (2002).

There is sizeable literature concerning the managerial use of email and its effects on individuals and groups (Markus, 1994; Ngwenyama & Lee, 1997). Importantly, however, none of these studies have explicitly referred to leadership effectiveness in real-life organizations.

MRT aspects of ‘personalness’ and ‘emotionality’ of email messages have thus not been addressed in this investigation.
Appendix

The Questionnaire: The instructions along with demographic questions are not included due to space constraints but a full version of the questionnaire is available on request. This questionnaire benefited from the research assistance of Matthias Klotz at Bern University.

Table 1: The Questionnaire on Interactivity via Email and Leadership Effectiveness – The Question Modules

<table>
<thead>
<tr>
<th>Module 1</th>
<th>Email as leadership tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>Do you deliberately apply email as leadership instrument?</td>
</tr>
<tr>
<td>Q2</td>
<td>For what reasons do you select email as leadership instrument?</td>
</tr>
<tr>
<td>Q3</td>
<td>For which tasks do you use email?</td>
</tr>
<tr>
<td>Q4</td>
<td>How do you evaluate the effectiveness of email as a leadership tool?</td>
</tr>
<tr>
<td>Module 2</td>
<td>Email as interactive communication process tool</td>
</tr>
<tr>
<td>Q1</td>
<td>How do you evaluate email as interactive tool for effective leadership?</td>
</tr>
<tr>
<td>Module 3</td>
<td>Cost-effectiveness of email as leadership instrument</td>
</tr>
<tr>
<td>Q1</td>
<td>How do you evaluate the cost-effectiveness of email as interactive leadership tool?</td>
</tr>
</tbody>
</table>
Table 2: The Questionnaire – Questions and respondent answer features

<table>
<thead>
<tr>
<th>Q1</th>
<th>F</th>
<th>Yes / No / I do not know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F1</td>
<td></td>
<td>Because it is faster</td>
</tr>
<tr>
<td>F2</td>
<td></td>
<td>Because the tasks affords it</td>
</tr>
<tr>
<td>F3</td>
<td></td>
<td>Because I can communicate with employees more efficiently</td>
</tr>
<tr>
<td>F4</td>
<td></td>
<td>Because I am a leader</td>
</tr>
<tr>
<td>F5</td>
<td></td>
<td>Because the employee ‘demands’ it</td>
</tr>
<tr>
<td>F6</td>
<td></td>
<td>Because I can issue instructions more effectively</td>
</tr>
<tr>
<td>F7</td>
<td></td>
<td>Because I can carry out my leader task more effectively</td>
</tr>
<tr>
<td>F8</td>
<td></td>
<td>Because email has only got advantages compared to other communication media</td>
</tr>
<tr>
<td>F9</td>
<td></td>
<td>Because there is few other platforms to communicate with employees</td>
</tr>
<tr>
<td>F10</td>
<td></td>
<td>Because it is part of the company’s media strategy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q3</th>
<th></th>
<th>Easy tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2</td>
<td></td>
<td>Difficult tasks</td>
</tr>
<tr>
<td>F3</td>
<td></td>
<td>Organizational and administrative tasks</td>
</tr>
<tr>
<td>F4</td>
<td></td>
<td>Day-to-day business (routine tasks)</td>
</tr>
<tr>
<td>F5</td>
<td></td>
<td>Strategic tasks</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q4</th>
<th></th>
<th>Email is a not a good leadership instrument and worse than other instruments</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2</td>
<td></td>
<td>Email is equally good as other leadership instruments</td>
</tr>
<tr>
<td>F3</td>
<td></td>
<td>Email is a very good leadership instrument and better than other instruments</td>
</tr>
<tr>
<td>F4</td>
<td></td>
<td>Using email does not affect my leadership</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q5</th>
<th></th>
<th>Email is a reliable and fast medium</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2</td>
<td></td>
<td>Email is a perfect two-way communication medium</td>
</tr>
<tr>
<td>F3</td>
<td></td>
<td>The introduction of email raised the number of instructions</td>
</tr>
<tr>
<td>F4</td>
<td></td>
<td>The introduction of email raised the number of employee reactions to my instructions</td>
</tr>
<tr>
<td>F6</td>
<td></td>
<td>Email improved my perception of advantages of interactive media</td>
</tr>
<tr>
<td>F7</td>
<td></td>
<td>Email improved my perception of advantages of interactive media used by my employees</td>
</tr>
<tr>
<td>F8</td>
<td></td>
<td>Email furthers the social disintegration of my employees</td>
</tr>
<tr>
<td>F9</td>
<td></td>
<td>I only use email when f2f communication is not possible</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Email is really inappropriate for some tasks. I thus use other interactive communications media</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q6</th>
<th></th>
<th>Employing email saves time</th>
</tr>
</thead>
<tbody>
<tr>
<td>F2</td>
<td></td>
<td>Employing email helps communicating better with my employees</td>
</tr>
<tr>
<td>F3</td>
<td></td>
<td>Employing email helps coordinate work more efficiently</td>
</tr>
<tr>
<td>F4</td>
<td></td>
<td>Employing email makes me decide faster</td>
</tr>
<tr>
<td>F5</td>
<td></td>
<td>Employing email raised motivation of my employees</td>
</tr>
<tr>
<td>F6</td>
<td></td>
<td>Employing email has raised communication costs in the company</td>
</tr>
<tr>
<td>F7</td>
<td></td>
<td>Employing email has made me instruct everything twice</td>
</tr>
<tr>
<td>F8</td>
<td></td>
<td>Employing email has made task fulfillment to take longer</td>
</tr>
<tr>
<td>F9</td>
<td></td>
<td>Employing email has introduced expansive support measures (such as training) because employees were unable to cope in a technical, social and communicative sense</td>
</tr>
</tbody>
</table>
References


**Interactivity and Leadership Effectiveness**


Part III

Applying Leadership Theories
to Media Leaders
Applying Leadership Theories to Media Leaders

Aldo van Weezel

The Media Management and Transformation Centre organised its first doctoral course in 2005. This was a Seminar on Leadership in the Media Industries run by Lucy Küng, assistant professor at the MMTC, in cooperation with Ethel Brundin, assistant professor of the Entrepreneurship, Marketing and Management Department at Jönköping International Business School. The goal they set was to build a bridge between theory and practice by exploring theoretical approaches to leadership and their application to the media industry.

During the seminar different theoretical approaches to leadership were reviewed and critiqued, and current leaders of media organisations were analysed. Doctoral students participating in the seminar were challenged to use the knowledge developed during the seminar to write individual papers applying a particular leadership approach to a specific media leader. These papers were presented at the International Conference on Leadership in the Media Industry, and form the concluding section of this book.

Ranging from the traits approach that began early in the last century to the transformational approach which is one of the current trends in leadership research, each of the papers included here uses a particular theory to analyse a media leader. The leaders were chosen because a priori they seemed to fit the theory or could be used as counterexamples.

Min Hang contends that the trait approach could be used to gain more insights into the leader, but recognises at the same time the unfeasibility of elaborating an inclusive list of traits for media leaders. Aldo van Weezel analyses the style approach, and suggests that the theory can be improved in order to make it operational. Using the procedural justice theory, he argues that a fair process in decision making helps to build commitment and attain the intended goals. Anders Bjurstedt presents the power approach, and argues that there is a close relation between ambition and power, with Robert Maxwell as a clear example. He claims also that ‘leadership in media is much related to the power approach’. Patrick Wikström examines the transformational leadership approach, and he focuses particularly on the question of how a productive narcissistic could practice transformational leadership. Finally, media leaders are symbols for organisations, and because of that, Maria Norback argues that impression management is useful to study media leaders. Impression management is related to charismatic leadership, hence a closer look at the interaction between leader and followers is required.

All these papers seek to shed light on the ability of theories of leadership to analyse an actual leader and his or her actions. While the research process was at times challenging it supplied a valuable rigor to the process which we hope paid off in quality of the resulting analysis, and contrasts with much that is
published on media leaders that tends not to be well grounded in theory. We hope in this way to have enriched scholarly discussion of media leadership.
Do Traits Matter? Applying the Leadership Trait Approach to Rupert Murdoch

Min Hang

Abstract
This paper reviews the leadership trait approach. Applying a trait-based theoretical model, it analyses the leadership of media mogul Rupert Murdoch. Through examination of Murdoch’s personal traits, the paper concludes that traits do matter, and that by paying more attention to personality traits we can gain better understanding of the essence of leadership.

Introduction
Leadership has been described as the single most neglected area of research and theory development in the field of media management studies (Mierzjewska & Hollifield, 2006) This is not because leadership issues are unimportant to media companies – journalists and investment analysts have written a lot about the role that one or more media executives played in shaping the media terrain – the problem is that despite of the awareness of the relationship between leadership and media organization’s performance, there is still very limited systematic research that is either theoretically sound or primary-data based.

The current handful of studies that have directly or indirectly addressed leadership issues in media industries, identify topics such as relationship between leadership and change (Gade, 2004; Killebrew, 2003; Perez-Latre & Sanchez-Tabernero, 2003), organizational problems (Sylvie, 2003), and organizational values and priorities (Demers, 1993, 1994, 1996; Edge, 2003); however, little research has focused systematically on media leaders in particular.

If leadership has been neglected by media scholars, this is not the case for the larger field of management studies in general. Since the beginning of the 20th century, a great deal of research has been conducted into leaders and their personality traits (e.g. Stogdill, 1948; Lord, DeVader & Alliger, 1986; Kirkpatrick & Locke, 1991; Cawthon, 1996). Indeed a focus on trait approaches to leadership prevailed during the first half of the 20th century; though it experienced a decline after the 1940s. Recent years however have seen the resurgence of interests in the field.

By focusing exclusively on the role of leader in leadership, the trait approach has provided a clearer view of how leaders and their personalities are related to leadership performance. This paper will apply the trait approach to analyse the leadership of the media mogul Rupert Murdoch. The structure is as follows. It will start with a literature review on the trait approach, and then present a
theoretical model based on leadership traits. In the next part this model will be
applied to Rupert Murdoch, and the paper will conclude with a discussion and
conclusion on whether traits matter to media leaders.

**Literature Review**

**The trait approach**

The leadership on literature is replete with many different approaches, but these
tend to focus on leader-follower interaction as the essence of leadership. However leader-follower interaction represents only one way to understanding
the sophistication of leadership. Another way to frame the problem is to focus
on the individual leaders, and ask the questions such as ‘what attributes must an
individual possess to perform effectively in organizational leadership
roles’ (Mumford et al, 2000: 156). To such a question, the trait approach
contributes good insights.

The trait approach conceptualizes leadership as a property or set of
properties possessed in varying degrees by different people (Jago, 1982). The
main proposition of the early trait approach is that certain individuals have
special innate or inborn traits that make them leaders, and it is these traits
differentiate them from non-leaders. The trait approach holds three general
assumptions. First, it asserts that individual differences result from the
differences in the strength and combination of traits. Second, personality traits
are relatively stable over time: inborn and innate characteristics of person are
enduring, they can hardly change. Third, personality traits are consistent over
situations, and there are universal traits that can be effective in all the situations
(Jago, 1982).

**History and development**

The trait approach can be traced back to the early 1900s. In the beginning,
studies on leadership traits were clustered on identifying the innate qualities and
characteristics possessed by greater leaders. Some of the personal qualities used
to identify great leaders include unique physical factors, personality feature, and
ability characteristics. Though the early leadership researchers were not sure
what traits would be essential for leadership effectiveness, they were still
confident that they could identify by empirical research.

In the mid 20th century, the trait approach started to be challenged. The
universality of leadership traits was questioned. One of the most famous
researches was conducted by Stogdill (1948); he argued that there was no
consistent set of traits differentiates leaders from nonleaders across a variety of
situations. An individual with leadership traits who was a leader in one situation
might not be a leader in another situation. Stogdill together with some other
researchers hold that view still agreed upon the importance of the personal
factors related to leadership, but they also contended that these factors were
considered as relative to the requirements of the situation. So, the trait approach started to decline in popularity in the second half of the twentieth century.

The resurgence of the trait approach

However in recent decades there has been a resurgence of interests in traits (Bryman, 1992). Researchers suggested that personality traits were strongly associated with individuals’ perceptions of leadership (Lord et al, 1986). Also, some researchers hold that effective leaders are distinct types of people in several key respects (Kirkpatrick & Locke, 1991). In addition, the renewed interest in the trait approach can be seen in the current emphasis given by many researchers to visionary and charismatic leadership (cf. Bass, 1990; Bennis & Nanus, 1985).

Increasingly research indicates that when given equal opportunity, it is not true that all people are equally successful. Although there is a certain attractiveness to the proposition that ‘any person can do anything’ there is little evidence to support it. Human beings cannot always develop talents they do not have. By extension in the field of leadership, no matter how great an individual’s desire to learn, unless certain extraordinary endowments are present — a talent that can be nurtured and developed— he or she will not be successful in their attempts to lead (Cawthon, 1997).

This talent, referred to as ‘the right stuff’ by Kirkpatrick and Locke (1991: 59), is an ingredient that separates the leader from the followers, and leaders need it to be effective, as Kirkpatrick and Locke put:

*Regardless of whether leaders are born or made… it is unequivocally clear that leaders are not like other people. Leaders do not have to be great men or women by being intellectual geniuses or omniscient prophets to succeed, but they do need to have the ‘right stuff’*

The need for leaders to have ‘the right stuff’ also applies in media companies. These because of their innate nature fall into culture and creativity industries. Their products and services are different from other industrial outputs: creativity, innovation and novel ways of thinking are critical, and content production involves artistic processes. In addition, many employees in media companies are not used to accept without any reservation directions coming from above. Those responsible for content - journalists, screenwriters, copywriters and so on - are not always the best team-workers; instead, they sometimes consider what their bosses have to say as unjustified meddling (Perez-Latre & Sanchez-Tabernero, 2003). To communicate better with the media people and to convince followers to achieve specific goals, media leaders may need to have certain ‘right’ characteristics in order to be able to lead in an effective way.

In short, the trait approach is still live and well today. In recent years, with better-designed research slowly accumulating, trait approach is starting again to
contribute insights in understanding the complex components of leadership. Though it is still impossible to develop an inclusive list of leader traits, some studies do provide valuable frameworks to look into certain critical traits and their links with leadership performance. The following section will present such a trait-based model.

**A Theoretical Model based on Traits**

Kirkpatrick and Locke (1991) introduced a model that contains six key traits important to leadership success: drive, leadership motivation, honesty and integrity, self-confidence, cognitive ability and knowledge of business (see Figure 1.).

**Figure 1: The Kirkpatrick and Locke Model**

*Drive* refers to the effort level that emanates from leaders. *Leadership motivation* is associated with a willingness to assume power and responsibility. *Honesty and integrity* may lead to credibility and a more predictable and consistent decision and leadership process. *Self-confidence* is essential for commanding respect and arousing followers. *Cognitive ability* is the essential trait for problem solving, strategy formulating and decision-making. *Knowledge of business* is often even more important than cognitive abilities.

In addition, there are also other traits applicable to leaders, such as charisma, adaptability and flexibility (Kirkpatrick and Locke, 1991). Also, Kirkpatrick
and Locke state that traits alone do not make a good leader; they are only preconditions, for leaders to be successful they must take certain actions.

The Kirkpatrick and Locke model outlines a concrete list of traits important for effective leadership. Though it is arguable whether this list of traits is inclusive, the framework is still valuable in providing insights into a leader an individual person. The next part of this paper will apply this model to Rupert Murdoch in order to analyse his leadership.

Analysis of Murdoch’s Leadership

There is no doubt that with his media empire spanning six continents Murdoch is one of the most successful of contemporary media leaders. The business he has built encompasses TV, cable, satellite, movies, books, magazines, Internet access and newspapers. However, Murdoch also has a lot of critics: no one is neutral about him. This controversial media leader possesses complex personalities and attributes, and these can be analysed using the Kirkpatrick and Locke framework.

Drive

Murdoch has always displayed great ambition to build a global media empire and a high drive to achieve his goal. Since his start as owner of a small town newspaper in Adelaide, he has continually expanded his empire and acquired new businesses. He has high levels of enthusiasm and energy for his work.

Motivation

Murdoch appears to have a strong personalized power motive that is evident in the tight personal control he exerts over News Corporation. His motivation to exert power is also shown in his polished social skills which he has employed to increase his media influence.

Honesty and integrity

The traits of honesty and integrity are the most controversial part of Murdoch’s personality. Murdoch has stated that ‘Business is war, winning is what matters’. (Murdoch Quotes) This implies he takes whatever measures are necessary to achieve his goal - regardless of journalism ethics and social morals in some cases. He believes in his power and competencies, and he is convinced that he can make any impossible things possible, as he says, ‘The buck stops with the guy who signs the checks.’ (Murdoch Quotes) It is thus questionable whether honesty and integrity are traits that Murdoch possesses.
Self-confidence

Murdoch has strong confidence in his ability to solve problems and make decisions. He has commented that ‘For better or for worse, our company is a reflection of my thinking, my character and my value’ (Murdoch Quotes). He also likes operating independently, having said that ‘You can’t build a strong corporation with a lot of committees and a board that has to be consulted every turn. You have to be able to make decisions on your own’. (Murdoch Quotes) He is confident that ‘If a door is closed to me, I kicked it in or find a key somewhere or other’. (Murdoch Quotes)

Cognitive ability

Murdoch is intelligent (do you have any support for this assertion? I agree it is self-evident, but we need something. An alternative would be to phrase more circumspectly). He appears to have inherited from his father a particular genius for newspaper, and he is extremely capable in the field of tabloid newspapers. The Sun in London, The Post in New York, The Herald Sun in Melbourne and The Daily Telegraph in Sydney are among the most successful, profitable and influential tabloids in the world.

Knowledge of business

Murdoch has great knowledge of his business and is well versed in the art of running media organisations. A common strategy in the early expansion of his empire was to buy loss-making newspapers and turn them around by introducing radical management and editorial changes.

Other traits

Besides these traits, Murdoch also possesses some other unique characteristics. He is aggressive, as evidenced in his expansion strategy, where he has secured key positions in every important media area and country.

He is an also absolute opportunist and Seizes every opportunity. Barry Diller, the former chairman of 20th Century Fox, once commented, ‘Where he sees opportunity, unlike most people—who equivocate, who do this, protect themselves or whatever –Rupert Murdoch just says, ‘Yes, there’s opportunity. I am going after it.’ (Auletta, 1995)

He is, with his own words, a ‘libertarian’. Unlike many moguls, he does not try to cow critics, nor does he try to convert them. He just carries on and does exactly what he likes. Describing this trait he said, ‘What does a libertarian mean? It means as much individual responsibility as possible, as little government as possible, as few rules as possible.’ This unique ‘liberal’ approach makes Murdoch a good businessman with massive courage and creative ideas; meanwhile, it also made him a ‘lousy journalist’, as what Harry Evans, the former editor of ‘Times of London’ referred. (Auletta, 1995).
Murdoch is also interested in politics. While at Oxford he was active in the Labor Club, and since 1975, he has generally supported the Liberal Party. In Britain he formed a close alliance with Margaret Thatcher, and *The Sun* was widely credited with helping John Major win an unexpected election victory in 1992. In the US he has been a long-time supporter of the Republican Party and was a friend of Ronald Reagan. His papers strongly supported George W. Bush in both 2000 and 2004. During the buildup to the 2003 invasion of Iraq, all 175 Murdoch-owned newspapers worldwide editorialized in favor of the war. The 2004 documentary, *Outfoxed*, criticizes the Fox News Channel for its perceived political conservatism.

**Taking actions**

The Kirkpatrick and Locke model highlights the importance of taking necessary actions in addition to having the critical traits. Murdoch appears to be fast in taking action, as he said, ‘The world is changing very fast. Now is the fast beat the best.’ (Murdoch Quotes) He is also very active in promoting changes and innovation. He calls himself a ‘catalyst for change’, and he has been always ready for pursuing new technologies and new business opportunities.

**Discussion and Conclusions**

The analysis of personality traits shows Murdoch to possess a unique combination of personality traits. Some of these are those identified in the model, others appear to be unique to him. He is an intelligent, self-confident, ambitious and highly dominating leader; he is also an aggressive opportunist and a so-called 'libertarian', paying little attention to government or social morals. He is good at utilizing political power to build his own profits.

Despite of the controversial nature of some of the traits Murdoch, it is however quite evident that these traits are important to his leadership success. Without a high drive to achieve, it is unlikely that Murdoch would be able to engage in continuous business development. Without the strong desire to lead and motive for power, he would have been easily satisfied with his business success in Australia and would not have pursued his never-ending business expansions. His self-confidence has helped him to withstand setbacks, persevere through hard times, and lead others in new directions. Confidence also gives him the ability to make hard decisions and to stand by them. His good intelligence is valuable in helping him to quick response to many tough situations, and finally, knowledge of business helps to develop strategies. In addition, an aggressive personality drives him to override challenges and his libertarian nature leads him to care little of others’ opinion but insist in his own way of being.

Although traits analysis does provide important insights about Murdoch, it does not allow the identification of an inclusive list of personality traits that are central to effective leadership for media leaders. For Murdoch, it is a
combination of different personalities and attributes that make his business successful and his leadership unique.

Another important implication is that for leaders to be successful, they must also take certain actions. The possession of traits by itself will only make it more likely that such actions will be taken and be successful. In the case of Murdoch, it is obvious that only through action, the role of personality traits in leadership can be realized.

To conclude, traits do matter in the case of Murdoch. Maybe the place matters as well, but it always takes a special kind of person to master the challenges of opportunity. Leaders are so varied in their traits and styles, traits change from culture to culture and from person to person, so it is still hard to identify an exact list of traits for all media leaders. However, it might be useful to start from paying more attention to traits and using our knowledge on traits to select and position potential media leaders. Though we should not get stuck in the trap of believing that those who do not possess specific traits are not leaders, giving more credits on personality traits can still help us to get closer to the essence of leadership.

References


Do Traits Matter? Applying the Leadership Trait Approach to Rupert Murdoch


A Behavioural Approach to Leadership: The case of Michael Eisner and Disney

Aldo van Wezel

Abstract

This paper proposes the use of the style approach to analyse media leaders. Since the information about them is often incomplete and biased, an approach based on behaviour seems helpful. After reviewing the concepts of the style approach, it is suggested that the procedural justice theory can complement it and help to link the two dimensions of the style approach: people- and task-orientation. Hence it is possible to implement the concern for people through fairness in the decision-making process, which in turn will lead to commitment and increased productivity. A framework for the analysis based on the described theory is presented, and then exemplified through the case of Michael Eisner and Disney.

Introduction

The style approach to leadership is based on the simple reasoning that it is not necessary to understand why the leader behaves the way she does, but rather to explore the actual effects of a leader’s behaviour. Even though the style approach is somewhat limited as a research framework (see below) and later evolved into symbolic leadership (cf. Alvesson and Sveningsson, 2003), it is still useful as a means of analysing what leaders do and the impact of their actions within an organisation. Also, since information on the leaders of organisations can suffer from being either biased or incomplete, and this is particularly true of the media sector, focusing on actual observed behaviour might be a better starting point to analyse on his or her influence in the organisation, and ultimately in society.

The style approach is not without criticism (cf. Yukl, 2005; Northouse, 2004). It proposes that a specific style of leadership – team management style - is the solution to effective leadership in an organisation. Critics argue that it disregards context: different contexts might demand different styles. Also, it has never been satisfactorily proved that there is a direct relationship between the leadership behaviours identified by researchers and effective leadership according to criteria such as productivity, morale and job satisfaction.

In response to the first criticism, this paper will address the leadership issue in a specific context, which is at top management level in a media and entertainment conglomerate. In response to the second, this paper will complement the basic style approach with a concept from social psychology,
namely procedural justice theory. This provides a means of connecting a leader’s behaviour with satisfaction and task accomplishment. This paper will term the style approach to leadership when complemented with the procedural justice theory a behavioural approach to leadership (in contrast to the original behavioural theory, the style approach).

To illustrate the theory, this article will take Michael Eisner as an example of a leader in the media business. He was appointed chief executive officer of Disney in 1984 after a successful career at Paramount Pictures. He left Disney in September 2005 under heavy criticism and one year before his contract expired (Economist, 2005).

**Theoretical framework**

The style approach to leadership involves studying a leader’s behaviour related to subordinates. The emphasis is on what the leader does instead of what he/she is, and the focus is on understanding the relationship between the leader’s behaviour and the satisfaction and performance of the group (Stogdill, 1975).

The first empirical studies on leadership style were conducted at Ohio State University in the late 1940s. This project started in 1945, and after many years the researchers identified consideration and initiating structure as the Ohio State dimensions of leadership (Bowers and Seashore, 1966). Consideration ‘reflects the degree to which the leader’s behaviour towards the group members is characterized by mutual trust, development of good relations, sensitivity to the feelings of group members, and openness to their suggestions’ (Andriessen and Drenth, 1984:327). Initiating structure ‘reflects the degree to which the leader is bent on defining and structuring the various tasks and roles of group members in order to attain group results’ (Andriessen and Drenth, 1984:327).

At the same time, the University of Michigan developed two concepts: employee orientation and production orientation (Bowers and Seashore, 1966). Nonetheless, the first was a kind of combination of consideration and social awareness according to the Ohio State dimensions, while production orientation seems to combine the initiating structure and production emphasis dimensions.

Employee orientation and production orientation were seen as opposing ends of a single continuum (Tannenbaum and Schmidt, 1958). Nonetheless the most common application of the dimensions of behaviour, the Managerial Grid, considered them as independent dimensions. This was developed by Blake and Mouton in 1964, and recognises that the employee and production orientations as two independent dimensions, being renamed as concern for people and concern for production, respectively. Each dimension is represented by an axis based on a 9-point scale. Score of 1 means minimum concern, whilst score of 9 is the maximum. Five major leadership styles are identified in the grid: authority-compliance (9,1), country club management (1, 9), impoverished management (1,1), middle-of-the-road management (5,5), and team management (9,9) (Northouse, 2004).
Within the style approach 'leadership behaviour could be described in terms of a permanent 'style of management' (Adriessen and Drenth, 1984:331). Even though there was some awareness that this style should be adapt to fit the motives of group members, the everyday practice of leadership was reduced to a particular leadership style as the magic solution (e.g. Blake and Mouton’s 9.9 style) (Adriessen and Drenth, 1984).

Procedural Justice Theory

The procedural justice theory has its roots in social psychology, where researchers are primarily concerned with people’s reactions – feelings, thoughts, behaviour– to their experiences with others, actual or imagined (Brewer and Crano, 1994). The procedural justice theory is a specific theory within social psychology and centres on how people judge the fairness of the procedures employed to get an outcome (Manstead and Hewstone, 1995). The idea was formalised by Thibaut and Walker in the book Procedural Justice (1975). Since then, research on this topic has proliferated (cf. Greenberg, 1990; Konovsky, 2000).

It is interesting to notice that perceptions of fairness go beyond the actual procedures employed to obtain an outcome. The perception of fairness is influenced by the interpersonal treatment that people receive from decision makers, and the adequacy with which formal decision-making procedures are explained (Greenberg, 1990). The interpersonal treatment factor has been proved to influence the perception of fairness (Bies, 1986; Tyler, 1988). Expressions of interpersonal treatment include honesty, courtesy, timely feedback, and respect for rights. In the same vein, Korsgaard, Schweiger and Sapienza (1995) mention consideration of member input and the capacity to influence over a decision as important factors in creating the perception of fairness.

Once decisions are made, leaders can still influence the perception of fairness of the procedure employed to reach that outcome. Tyler and Bies (1989) mention five criteria related to the perception of fairness: adequately considering others’ viewpoints, suppressing personal biases, consistently applying decision-making criteria, providing timely feedback about decision-making, and adequately explaining the basis for decisions.

Why a behavioural approach to leadership could be useful in media organisations

Leadership in media companies can take several different forms, and managers must decide which approach to adopt. When the environments are complex and dynamic, teams are recognised as having advantages over single individuals when making decisions, and this is particularly relevant for top management teams (Zaccaro, Rittmans and Marks, 2001).
The competitive media landscape can be considered complex and dynamic and would therefore justify a team-based leadership approach. Two aspects that are specific to the media sector contribute to this complexity and dynamism. The first is the enormous temptation posed by the potential power that leaders in the media industry could exert. This has been thoroughly studied (cf. Bagdikian, 2000), and researchers and news reporters are continuously monitoring and criticising eventual transgressions of ethic codes. The second is the uncertainty surrounding the preferences and taste of millions of potential consumers. Such market uncertainty is not exclusive to the media environment, but still suggests that one-person decisions will not be right all the time since it is not possible to detect or foresee mass audiences tastes infallibly: Indeed, there are plenty of examples of individualistic media leaders that have lost 'the magic touch.'

These two characteristics would seem to support, if not mandate, team-based decision-making at senior levels of media companies. The team management style proposed by Blake and Mouton seems appropriate. But this is suited to situations where 'work accomplishment is from committed people; interdependence through a 'common stake' in organization purpose leads to relationship of trust and respect' (Bass, 1990: 484). Both dimensions of the style approach are stressed in this description: task orientation (work accomplishment) and people orientation (committed people). Leaders must integrate both dimensions, not just masquerading as team leaders (9,9s according to the grid’s categories).

How can both of these dimensions be integrated in one style of leadership? What kind of consideration (people-orientation) is required to make people commit to a 'common stake' and accomplish the work? It can be proposed that consideration for people must be based in principles of justice, since this will lead individuals to trust the leader, commit to the decisions made, thus to the tasks that must be done.

The following section of the article will illustrate these theoretical contentions in the context of a media organisation, and specifically the case of Michael Eisner of Disney. Certainly they do not offer definitive proof of their validity, but they do provide initial insights that may provide a basis for further empirical research. Figure 1 summarises the theoretical framework and how it could be used to analyse a leader.
A Behavioural Approach to Leadership

Based on the behaviour of the main participants, the following items should be evaluated:
- Treatment that people receive from decision makers
  - Honesty, courtesy, respect
  - Consideration of member input
  - Capacity to influence in decisions
- Adequacy of explanations of decisions
  - Considering others' viewpoints
  - Suppressing personal biases
  - Being consistent in applying a criteria
  - Provide timely feedback
  - Adequately explaining the basis for decisions

Figure 1: Summary of the framework for the analysis

Analysis

From a financial perspective, during his tenure Michael Eisner was able to convert The Walt Disney Company from a market capitalisation of less than $3 billion into a media power house with a value approaching $60 billion (Sherman, 2004). The revenues of Disney grew from $1.65 billion in 1984 to over $30 billion in 2004 (Disney 2004 Annual Report). This financial performance should rule out any criticism of Eisner. However a number of commentators have suggested that most of the financial improvement was achieved in the period until Chairman Frank Wells’ death in 1994: thereafter Disney’s performance declined, sustained only by sporadic big hits, most of which stemmed from a joint venture with Pixar with Disney responsible only for distribution (Teather, 2004; Milmo, Martinson and Teather, 2004). Shareholders finally responded to criticism of Eisner in 2004 when at the AGM.
45 percent voted to withhold the support for Eisner, leading him to step down one year before his contract expired (Economist, 2004; Sherman, 2005).

The following examples are not intended to address all the issues that led to the situation described above, but will illustrate how Eisner’s behaviour did not help build trust and commitment in the people in Disney, and how he acted in an authoritarian style. Even though this does not offer a definitive explanation for the failure of Eisner as a leader of Disney, it certainly should be considered as one of the factors.

The gong show
The ‘gong show’ was one of Eisner’s mechanisms to push creativity in the organisation. These were the first stage in the decision-making process to produce an animated film. Eisner had used it at ABC in the 1970s, then at Paramount, and brought it to Disney. The ‘gong show’ meeting took place once a week in a conference room, and everybody was supposed to attend. All attendees were expected to present five ideas, which Michael Eisner and Jeffrey Katzenberg (president of The Walt Disney Studios) could approve for further development or ‘gong’ to reject it. Eisner commented that everyone ‘loved the idea of big, unruly, disruptive meetings; that’s the gong show was all about’ (Wetlaufer, 2000: 117). Little Mermaid and Pocahontas were among the movies that had their origins in ‘gong shows’. These animated films had by 2005 grossed $222 and $347 millions respectively at the box office world-wide, and thus can be taken as proof that ‘gong shows’ were effective. Nevertheless, the ‘gong shows’ procedure is suspicious when analysed under the theory presented in this article.

Ron Clements, an animator at Walt Disney Feature Animation, who proposed the idea of the Little Mermaid, received a ‘gong’ just after saying two words about his idea. Later on, Eisner called him back to ask him to develop the idea (Stewart, 2005). That was an exception, because ideas with a ‘gong’ were usually doomed for ever. The process is not an ideal way of encouraging respect and courtesy, and influence over the decision on which ideas to develop further was concentrated in the persons leading the gong show, Eisner and Katzenberg. The rationale for rejecting proposed ideas was sometimes never made clear. Therefore, perceptions of the decision-making process may have been that the fairness was seriously flawed. Although some good ideas originated at these meetings, they may well have jeopardised the commitment of the creative people participating in them, and their later job satisfaction.
Relationship with Katzenberg

The list of Disney executives who were forced to leave or resigned because of Eisner behaviour towards them is far from short. Many of them are now in high positions in well-known companies, such as Jeffrey Katzenberg and Michael Ovitz.

To focus on Jeffrey Katzenberg, he was number three at Disney and had the leading position at The Walt Disney Studios. When moving to Disney his contract provided an annual bonus equivalent to two percent of any profit earned by anything he produced, including animated and action-live films, television shows, etc. Should Katzenberg leave the company for any reason he would receive a lump sum payment of the estimated future value of that two percent.

The relationship between Katzenberg and Eisner went well until a huge dispute about the film *Who framed Roger Rabbit?* Despite Eisner’s scepticism about quality of the film, and after serious discussions about the budget where Eisner accused Katzenberg of hiding the real situation, the film turned out to be a success.

The second clash between Eisner and Katzenberg occurred when the latter wrote a ‘Manifesto’ about the movie production business. More than twenty copies were distributed to executives at Disney, but Eisner felt it was a copy of his own ideas written in a similar document while he was at Paramount. The Manifesto criticised Eisner for supporting the production of high-budget flops and extolled Katzenberg’s own selection of films, like the successful *Pretty Woman*. When the document, supposedly a secret within the company, was published by *Variety*, Eisner decided to fire Katzenberg.

When Eisner called Michael Ovitz, a leading agent, to find a replacement for Katzenberg, the profits from Katzenberg’s films, including *Aladdin*, *Little Mermaid*, *Beauty and the Beast*, and *Pretty Woman*, were mounting up. Following a suggestion made by Ovitz, Eisner ordered Katzenberg to hire Joe Roth and his company, Caravan Pictures, as an independent producer working for Disney. The idea was to test Roth as a potential replacement for Katzenberg. Katzenberg was told that Roth would replace him when he moved up in the corporate structure, meaning when he took Wells’ position as chief operating officer.

At about the time Eisner hired Roth, he wrote a letter to one of his confidents, his lawyer Irwin Russell, criticising Katzenberg. Among other things, Eisner said he was becoming ‘frustrated with how Jeffrey conducts business and especially with his personal agenda’ (Stewart, 2005: 134, citing a letter from Eisner to Irwin Russell). But Eisner’s real thoughts and feelings were never communicated to Katzenberg: on the contrary they were discussing a new

---

1 The facts in this subsection are taken mainly from Stewart (2005). Effort has been made to extract objective facts and not the opinions and comments of the author.
contract and a possible promotion when Wells eventually stepped down. Also Eisner was not recognizing the success of the films produced by Katzenberg.

Perhaps because Katzenberg sensed something was wrong he started asking about the amount of his compensation according to the terms of the two percent, but never got a definitive answer. It was at that time, March 1994, that Wells died in a helicopter accident. Katzenberg then expected to assume Wells’ position in the company.

The film *Lion King* opened in June 1994 and became not only an instant success, but one of the most profitable movies in the history of Disney. The project was championed by Katzenberg, but Eisner fired him two months later. In doing that, Eisner assumed for the moment the duties of three persons: the work done previously by Wells and Katzenberg, as well as his own role as CEO.

After leaving the company, Katzenberg demanded his compensation bonus which he calculated to be $90 million. However Eisner refused to pay, leading Katzenberg finally to sue Disney in 1999. At the trial, Eisner was asked if he knew about Project Snowball, which had been initiated by Wells as a means of keeping track of Katzenberg’s two percent. This was meant to be secret and Eisner denied knowledge of it. But the trial found in Katzenberg’s favour and Disney agreed to pay $280 million to Katzenberg to settle the dispute.

Certainly many aspects of the relationship between Eisner and Katzenberg can be criticised using the behavioural approach outlined here. These show Eisner behaving in exactly the opposite of what fairness would dictate when making decisions. Eisner kept his real intentions secret while signalling in the opposite direction, for example when he simultaneously promised Wells’ job to Katzenberg and hired Roth to replace him; trying to escape the contractual relation about Katzenberg’s bonus. He did not recognise the contributions of Katzenberg to the company. Finally, it is worth to say that all these decisions were taken by Eisner according to his own judgments, in a very autocratic style, far from the recommended team management style proposed by this body of theory.

**Concluding Remarks**

The style approach proposes that team management is the best style of leadership, meaning that managers should be highly concerned for people and production. Nonetheless, researchers have criticised this theory mainly because in its support for just one style it neglects the context of the organisation, and also because the relationship between concern for people and production, and increased productivity, has not been demonstrated. This article addresses both of these criticisms, first by focusing on the top management of media companies as a specific context, and second by proposing an extension to the style approach through the addition of the procedural justice theory as a way of implementing concern for people. This theory connects the perception of
A Behavioural Approach to Leadership

fairness in the decision-making process to increased commitment and trust from the people involved in the decision.

The behavioural approach represents an extremely valuable framework to analyse media leaders, given the often inadequate data available. Focusing on the behaviour rather than on the motives and other 'hidden' psychological issues seems a more effective way to study leadership when focusing on one person without direct access (as it is usually the case with media moguls)

In this paper, the behavioural approach was illustrated with the case of Michael Eisner as chairman and chief executive officer of Disney. The ‘gong show’ and the Katzenberg case were used to exemplify the theory. These cases show that Eisner was not team-oriented, and his conduct did not help to increase the perception of fairness in his people, thus hindering their trust in him and commitment to the tasks assigned.

References


Robert Maxwell – A study of power in media leadership

Anders Bjurstedt

“Power tends to corrupt; absolute power corrupts absolutely!”

Lord Acton (1887)

Abstract

The concept of power in leadership and management has been very much debated in recent years. Power is the capacity to influence the attitudes of people in the desired direction, and to make them execute orders they might not otherwise obey. The concept is needed to understand how people or managers may influence each other in organizations. Leadership is related to power because it is dependent on the level of influence a person might have in an organization. A leader with little power will have little or no influence or authority, and authority is the right to influence others in a specific way. Thus, power is an important basis for influence in formal organizations.

This paper attempts to show how Robert Maxwell (1923-1991), regarded as one of the leading publishers and media owners in the world between 1980 and 1991, used power to overcome most of the obstacles on his path to success. Maxwell was always regarded as an outsider by the establishment in the UK, but he managed by his sheer energy, personal charm and persuasion to be financed by the leading banks, financial institutions in Europe and overseas.

On November 5th 1991 he was found dead floating in the Atlantic apparently having fallen overboard from his personal yacht, but the real cause of his death has never been fully established. Soon afterwards, his empire collapsed and it was discovered that for several years he had illegally used the pension funds to pay off debtors. In May 2001 some of the leading financial institutions and audit offices were fined for gross negligence in dealing with these matters, and about two third of the total embezzled money was repaid to these pension funds.

Introduction

The use of power in corporate leadership is a very well established concept. The use of personal or inherited power in private companies is unavoidable, as a legitimate way of controlling the business. In the media industry private enterprises are quite common, and even if many are also public companies, the family owners are still in a controlling position. Public media companies give
the public, in particular financers, analysts and governmental bodies such as tax authorities, much more access to information on the media business, and on how marketing, accounting and personal relations are managed than is normally the case for private companies.

This paper attempts to show how the late Robert Maxwell (1923-1991) used power to become one of the most influential media leaders in the 1980s. Global public media companies are part of the global media scene, and thus create a huge public interest in their owners, performance and business in general. The first part describes the concept of power, which is the basis of leadership and how power is used to influence people. Further, there is a short description of the global media industry, and Robert Maxwell’s life and career. This is extreme, moving from a childhood of extreme poverty in a small Czech village to an extravagant lifestyle characterised by expensive food and drinking, and fraternizing with the most powerful men and women in the world.

The Concept of Power – the basis of Leadership and Power

Approach to Influence

Leadership is related to power because it is dependent on the level of influence a person might have in an organization. A leader with little power will have little or no influence or authority, and authority is the right to influence others in a specific way; an important basis for influence in formal organizations. Authority involves the rights, prerogatives, obligations, and duties associated with a particular position in an organization or social system. A leader with direct authority over a target person has the right to make requests consistent with his authority and the target person has a duty to obey (Yukl 2002: 142).

French & Raven (Northouse 2004:7) propose a taxonomy to classify different types of power according to their source. This lists reward power, coercive power, legitimate power, expert power, and referent power.

Effective leaders incline towards personal rather than position power, and exercise it when they are able to analyze the correct situation and adapt their style accordingly. You may be a manager, but that does not imply that you are a leader. Vecchio states (2001: 17) that ‘there are almost as many different definitions of leadership as there are persons who have attempted to define the concept’. Kotter holds that the difference between a management and leadership is the element of setting a direction ‘...developing a vision of the future along with strategies for producing the changes needed to achieve that vision’ (Kotter, in Pfeffer 2001:26), and stated that managers are doing things right, but leaders are doing the right things.

The darker side of leadership has been described by Conger, who also differentiates between management and leadership, where the latter is the ability to create a vision for the enterprise or organization for everybody to follow. Conger (in Vecchio 1997: 217-228) identifies some sources of failures
Robert Maxwell – A Study of Power in Media Leadership

and/or traps a visionary leader may fall into, which also can be attributed to the darker side of his leadership:

- The vision reflects the internal needs of leaders rather than those of the market or constituents
- The resources needed to achieve vision have been seriously miscalculated
- An unrealistic assessment or distorted perception of market and constituent needs
- Potential liabilities in the leader’s communications and impression management skills:
  - Exaggerated self-descriptions
  - Exaggerated claims for the vision
  - Use of anecdotes to distract attention away from negative statistical information

And as Kets de Vries (1993: 174) asks ‘Shall we conclude that power leads to excessive behaviour with all its repercussions in the form of grandiose fantasies, boastful and pretentious behaviour, arrogance, feelings of entitlement and self-centredness?’. Robbins (1983: 74) argues that those in power would create a structure that maintains and enhances their control. He goes on to say that many management concepts fail to make the transition from textbook to practice because they are not compatible with the realities of corporate realities. One major reason may be that these concepts are incompatible with the power-control perspective.

The Media Industry

Leadership in media companies is often split between business and editorial management. This is very common in media companies in the Nordic countries, where the Editor-in-Chief has the total responsibility for the editorial department and the content of the media in question, whereas the business part is managed and controlled by the Managing Director. However, a dual leadership is less common in the Anglo-Saxon countries, where a Publisher controls both the editorial and the business part of the media company.

Many companies in the media business are family controlled and/or owned. Among privately controlled large international media the best known in Europe are Rupert Murdoch’s News Corporation and Bertelsmann, or in Scandinavia the Bonnier or the Aller Group (Koulouvari 2004).

Some of the larger corporations have gone public. The reasons can be many, with the financial motive often strong: selling a portion of shares while maintaining control is very tempting, although brings with it the demands for greater openness and non-executive directors to the board. The present rules of
Public companies have over time become very tough, although as a result of previous misuse of power.

Robert Maxwell

There are many bibliographies about Robert Maxwell and his life (see Bower, T., Dillon, M. & Thomas, G. or Greenslade, R.) He always trod a very thin line, and soon learned how to charm and use people to pursue his business ambitions. The beginning of the end of his career came at the AGM of BPCC in 1987 (Bower 1991: 8), where he announced that ‘the corporation had passed important milestones on its way to becoming “a global information communications company before the end of the decade, with annual revenues of £3-5 billion and earnings per share to match”’.

Maxwell started buying too many companies in a very short time, and he never had the possibility to consolidate the new ventures into the existing, and, not only did he personally fall deeply into debt, but MCC as well and later also the Mirror Group. The true picture of the total debts of MCC, the Mirror Group and his personal borrowings became evident only after his death, but it is estimated that in the middle of 1991 the total debts were about £3bn and with interest to match and pay on a regular basis. Most of the loans were secured by taking shares from either MCC or the Mirror Group as collateral.

In the beginning of 1991 financial pressures led Maxwell to float 49 percent of the Mirror Group. This netted £210 million, of which about £18 million went to Maxwell privately. In order to secure more cash, some major holdings were sold and Maxwell sold his former flagship, Pergamon Press, to Elsevier in March 1991 for £440 million. However the financial situation deteriorated, and in the autumn some of the banks were becoming concerned. In particular the Swiss Bank Corporation and Lehman Brothers in the US demanded that their loans should be repaid. The true picture of the total debts of MCC, the Mirror Group and his personal borrowings became evident only after his death, but it has been estimated that in the middle of 1991 the total debts were about £3 billion, with interest to pay on a regular basis. Most of the loans were secured by taking shares from either MCC or the Mirror Group as collateral.

On November 5th 1991 Maxwell was found dead, floating in the Atlantic, where he had been cruising with his private yacht, the Lady Ghislaine, named after his favourite daughter. Despite two independent autopsies, one by the Spanish authorities and the other by specialists asked for by the family, the real cause of his death has never truly established (Thomas & Dillon 2002: 401). He was awarded a state funeral in Israel and is buried in Jerusalem.

The series of events during 1990 and 1991 are well covered in the Investigation of the Mirror Group Newspapers plc by the Department of Trade and Industry (1995). A final report was published in 2001 (DTI 2001). In brief, the investigation stated that the Mirror Group was not fit to be public. The companies involved in producing the prospectus, Goldman Sachs in the
UK, and Lehman Brothers in the US together with the accountants Cooper Lybrand were found to be guilty of gross negligence. They were all fined and obliged to repay some of the missing funds (Zachary, 2001: 18; Cowell, 2001:C.2). In the end about two-thirds were repaid.

Robert Maxwell and Power

Power is the ultimate way of exercising influence and getting things done. History has taught us that great political leaders have misused or even abused their power by acting as dictators. In the industrial world there is not difference, only that the means of disabling adversaries and opponents are quite different. Robert Maxwell learned leadership and management the ultimate hardest way possible – during the Second World War – and during wartime there is seldom any time for comprises. He fought his way up the ranks, from a private to an officer’s position, first as a second lieutenant and then promoted to captain in the British Army.

Nevertheless it is important to investigate the life and career of Robert Maxwell in order to understand his personal back-ground and how this might have influenced his concept of leadership and his use of power. His army background and the military reward (Military Cross for Bravery) were important factors in the early days of his career and lent him much prestige in his business circles: “any man of foreign birth who had fathered nine children and who was decorated in the filed must exceptional …. tremendous organising capacity …. An explosive, enormously dynamic man…” (Crossman, cited in Bowman 1991: 124).

There is sometimes a darker side to leadership, and these are very evident in the power aspects of in leadership. Nevertheless, there are very few theories and little discussion about the darker side of leadership to be found in the traditional scientific literature. However, in recent literature the concept of a darker side of leadership is reflected by Pfeffer who finds ‘We are perplexed that ‘bad’ people sometimes do great and wonderful things, and that ‘good’ people sometimes do bad things, or often, nothing at all’ (Pfeffer 1994: 343).

Kets de Vries (1993: 173) finds that in ‘Maxwell’s world you are either be with him or against. He was not a person to forget or forgive enemies “crimes” and he had a memory like an elephant. He would go to great lengths to get even.’ He continues that Maxwell was a ‘dynamo, wheeler-dealer, anything but a man able to take it easy. He was constantly on the move, be it by Concorde, helicopter, private jet, limousine or private yacht, and constantly talking on the telephone. He was an incredibly action-oriented individual.’

Maxwell’s public goal that his public company Maxwell Communications Corporation would be the leading publisher/printer in the world by the end of 1989/90 was a vision that reflected his personal needs rather than those of the market or MCC. This caused him to make some fatal mistakes, and both
Maxwell Communications Corporation and he himself became overburdened by debts which ultimately led to his fall and eventually his death.

The life of Robert Maxwell and his leadership is an excellent example of using power in all its available facets – mostly coercive, but also legitimate, expert and sometimes even referent power.

Conclusions

Early on Maxwell recognized the need for a more organized forum in the scientific world after the end of the Second World War, although he was taught the discipline by Herr Springer in Berlin. After he had regained control of Pergamon Press in 1974, he certainly learned his lesson. Pergamon became the vehicle for his expansion in the 1980s.

Nevertheless, he would have been rewarded for creating a great company out of Pergamon Press, if he had been content to let the company prosper and continue in the scientific business. When reading the accolades from previous editors of Pergamon Press (Johnson, 1988: 71), it is obvious that he had a good sense of how to manage that particular business, and did so with a light hand. In this respect his leadership in this media might not have been without flaws, but he was certainly respected and even liked by some of his editors.

Needless to say, Maxwell was a very good example of managing with power. He reached his position by manipulating people in politics, banking, corporate financing, and in the printing and publishing business and bending them to fit his own personal perspectives. He was a social climber, and he always considered himself to be an outsider and not part of the establishment in the UK. He was very vain, had unlimited stamina and had very little respect for different opinions voiced by colleagues and/or co-workers. His managerial style was typically influenced from his early days in the ranks of the army, where obeying given orders was the only priority. It is unfortunate, however, that the darker side of the power concept became the dominant role for Robert Maxwell from 1986 onwards.

References


Transformational leadership in practice? – The case of Steve Jobs and Pixar animation Studios

Patrik Wikström

Abstract

Are narcissistic leaders able to practise true transformational leadership in their organisations? By exploring the conditions at Pixar Animation Studios, headed by Steve Jobs, this paper is able to answer the question positively. Jobs exhibits many traits which are characteristic of the narcissistic personality type. However, by teaming up with two other leaders, he seems to have gained control of the downsides of his personality. The trio has been able to create a corporate culture and a leadership philosophy at Pixar which allows creativity to flourish. The leadership at Pixar resembles in so many ways Bass’ definition of transformational leadership that one may only come to the conclusion that it actually is transformational leadership.

Introduction

To categorize a person as having a narcissistic personality is not very flattering. However, Michael Maccoby (2000) argues that though there are some issues with the narcissistic personality, there are also some very notable strengths. He has found that among many of the high-profile leaders of today, the narcissistic personality type is relatively prevalent. A number of researchers have suggested that Steve Jobs, who currently is experiencing a triumphant comeback as a CEO of two successful companies; Apple Computer and Pixar Animation Studios fits this category (see, for example, Krantz, et al, 1999). This paper will discuss the personality of Steve Jobs as presented in a number of academic and journalistic texts. It will continue by analysing the leadership at one of Jobs’ companies, Pixar. There are signs that the leadership at Pixar has many parallels to the approach known as transformational leadership.

Some scholars, e.g. Bass and Steidlmeier (1999) argue that it is impossible to combine a narcissistic personality with the transformational leadership approach since this form of leadership requires a level of empathy and altruism which is by definition, out of the narcissist’s reach. The question raised by this paper is whether Pixar and Steve Jobs may be an example which goes against the claim put forward by Bass and Steidlmeier. Is Pixar headed by a narcissistic leader who actually is practising true transformational leadership?
Theoretical review

How to lead an organisation in a business environment characterised by great uncertainty and rapid change is a question which has come more and more into the forefront of leadership research during the last few decades (Lowe & Gardner, 2001). One leadership approach which has shown great promise in coping with these kinds of conditions is known as transformational leadership (TL). As the term implies, TL is focused on change, change in organisations as well as change and growth by the individuals within organisations. One of the most influential writers on TL, Bernhard M. Bass, has defined a transformational leader as:

...someone who raises [followers’] awareness about issues of consequence, shifts them to higher-level needs, influences them to transcend their own self-interests for the good of the group or organization, and to work harder than they originally had expected they would (Bass, 1985: 29).

TL differs quite substantially from many other leadership approaches, since it does not provide a set of clearly defined activities, with the promise to swiftly improve organisational performance. Instead, the TL approach “provides a general way of thinking about leadership that emphasizes ideal, inspiration, innovations, and individual concerns” (Northouse, 2004: 188).

Transformational leaders are prone to use one or more of four distinct leadership styles (the Four I’s). (Bass, 1985; Bass & Avolio, 1994: 3-4)

1. Idealized influence - Transformational leaders are role models for their followers.
2. Intellectual stimulation - Transformational leaders encourage creativity and the challenging of old conventions.
3. Inspirational motivation - Transformational leaders motivate their followers by clearly and positively communicating the organisational vision and goals.
4. Individualized consideration - Transformational leaders understand the diverse needs of every individual follower.

Narcissistic leaders

‘Narcissism’ is a term with many negative connotations; it may sometimes even be regarded as a mental illness. But a narcissistic personality does not have to be a negative one. Rather, according to Freudian psychoanalysis, it is but one of three personality types that fall within ‘normality’, the others being ‘erotic’ and ‘obsessive’ (Morrison, 1986). Maccoby (2000: 72) argues that the best leaders have a narcissistic rather than an erotic or an obsessive personality. To separate the mentally ill narcissist from the ‘sane’ one, Maccoby (2000:70) uses the term ‘productive narcissist’ and points to Jack Welch and George Soros as good
Transformational leadership in practice? – The Case of Steve Jobs and Pixar Animation Studios

examples of this type. He proposes that a number of characteristics make these two reputed narcissists are successful leaders:

Vision – ‘They are great visionaries. They may not be great at analysing a situation or solving difficult problems but they are able to see things others don’t, and able to go where no one has gone before’ (Maccoby, 2000: 72).

Charisma – ‘Narcissists are especially gifted in attracting followers […] through language’ (Maccoby, 2000: 73). Narcissists are generally considered to be charismatic and to be able to persuade their audience using skilled rhetoric, which they use to communicate their visions in a passionate and convincing way.

Although the narcissistic personality type has some strengths there are also weaknesses. These include:

Sensitivity to criticism - Narcissists are very sensitive to criticism and ‘are uncomfortable with other people expressing their negative feelings’ which might be threatening to their self-image. (Maccoby, 2000: 73)

Lacking in empathy - Narcissists often lack sympathy, and though they may have star-quality from a distance, they can be less likable in face-to-face situations (Maccoby, 2000: 74).

Fighting windmills – ‘Narcissistic leaders are relentless and ruthless in their pursuit of victory’, they consider everything to be a potential threat and sometimes they ‘find enemies that aren’t there – even among their colleagues’. (Maccoby, 2000: 75)

This list of weaknesses may make it difficult to see how a narcissistic personality could have anything to do with effective leadership. However, Maccoby argues that it is possible to cope with the weaknesses of the narcissistic personality. First of all, perhaps because he is a psychoanalyst, Maccoby suggests counselling and self-reflection: through recognising and understanding weaknesses it is possible for narcissists to take control and avoid pathological behaviour. Another way of dealing with the drawbacks of a narcissistic personality type is to find a ‘trusted sidekick’: an individual who can keep the narcissistic leader connected to reality, and understand them and what they are trying to achieve (Maccoby, 2000).

In conclusion, narcissistic leaders may have serious personality problems, but they can be valuable to an organisation, especially in times of change (Maccoby, 2000). They are usually great visionaries and able to raise motivation among their followers through their charisma and excellent oratory skills (Maccoby, 2000). A leader with these abilities may be better suited to practise TL and apply the four I’s than a leader who lacks these skills. It can therefore be claimed that a productive narcissistic leader very well may practise TL. However, this conclusion contradicts Bass and Steidlmeier’s assertion that it is impossible to combine a narcissistic personality with the TL approach.
Jönköping International Business School

Analysis

This section will explore Pixar and its chairman and CEO Steve Jobs, in order to find out whether Jobs can be considered as a productive narcissistic leader who has been able to control the weaknesses of his personality type. The analysis will also discuss whether Jobs’ has been able to create a corporate culture and leadership philosophy which fits with the concepts of transformational leadership.

On the personality of Steve Jobs

The first question to ask is whether Steve Jobs has a narcissistic personality. There are a number of scholars who claim that this is the case (e.g. Khurana, 2002; Leavy, 1996; Maccoby, 2000). It is possible to gain insights into Jobs’ personality by analysing secondary data from interviews with Jobs and with former and present colleagues and followers. As we have seen, there are specific behaviours characteristic of the narcissistic personality; if the secondary data show that Jobs is exhibiting these behaviours, it may indicate that his personality has narcissistic tendencies.

Charisma and oratory skills – Steve Jobs’ ability to convince people about the superiority of his visions and ideas is frequently referred to in secondary data. Jobs’ followers have described his charisma as a ‘Reality Distortion Field, which he is able to scale at will’ (Cringley, 2004: 122). In other positive texts written about Jobs, he is described as ‘comically self-confident, ingenuously overbearing and overendowed with charisma’ (Levy & Hafner, 1997).

Visionary, creative and risk taking – During his entire career, Steve Jobs has been a driving creative force, transforming the computer industry, and he has often been described as a man with great visions. Jobs explains his vision as:

…we want to put those myths right into the culture. You won’t be able to boot up a Macintosh in 60 years, but we hope that 60 years from now, people will still be enjoying Toy Story (Levy & Hafner, 1997: 74).

Sensitive to criticism, unpredictable and lacking empathy - In somewhat less positive texts on Jobs, the darker side of his personality is described:

Steve might be capable of reducing someone to tears, […] but it’s not because he’s mean-spirited; it’s because he’s absolutely single minded, almost manic, in his pursuit of quality and excellence. (Krantz et al, 1999)

Based on the material presented above it is tempting to join those scholars who claim that Steve Jobs has a narcissistic personality. At least, it is possible to conclude that Jobs is exhibiting many of those behaviours that are characterising a narcissistic personality.
Has Jobs been able to cope with his personality?

Currently, Steve Jobs is heading two successful businesses. Pixar is one of those businesses, and the question raised by the previous section is that if Jobs demonstrates these shortcomings, how is he able to head this successful business? As we have seen, for Maccoby (2000) it is possible for a narcissistic leader to control the problems associated with his personality. It is not clear from secondary literature whether Jobs has undergone psychoanalysis, but it is possible to conclude that Jobs has made some changes to his leadership style and grown more controlled compared to when he left Apple in 1985. In an unusual reference to the former head of Disney, Jobs reflects on his own development: “I think I trust people more,’ he says of his evolved management style. ‘I take a longer-term view. Michael Eisner is my role model; I feel my role is to support these brilliant people.” (Levy & Hafner, 1997: 174)

Maccoby suggests that the narcissist leader should find a trusted sidekick to keep the leader connected to reality. At Pixar, Steve Jobs has found two sidekicks who run the operations while Jobs stays at the visionary level. One sidekick is Edward Catmull, who is Pixar’s co-founder and president. Catmull is a technologist who is passionate about animated movies and a CGI (computer generated imagery) pioneer. The other sidekick is John Lasseter, an artist and director who is the creative engine at Pixar and the director of several Pixar productions. The cooperation between Jobs, Catmull and Lasseter seems to be working well. Brad Bird, the director of Pixar’s latest production jokes about the trio:

I refer to those guys as the Father, the Son, and the Holy Ghost. Ed, who invented this cool medium and is the designer of the human machine that is Pixar, is the Father. John, its driving creative force, is the Son. And you-know-who is the Holy Ghost. (Schlender, 2004: 206)

Is transformational leadership practised at Pixar?

The previous analysis does support the conclusion that Steve Jobs is indeed a productive narcissistic leader who has been able to cope with his personality problems by teaming up with two other leaders. Secondary reports of (‘Observations of’ not accurate unless you were actually there, in which case that needs to be in the methodology) the conditions at Pixar indicate that something similar to TL is taking place. Is it possible that the three comrades, Catmull, Jobs, and Lasseter are able to act a single leadership unit, and by combining their individual competencies and personalities, practise a leadership approach which resembles the concept of TL? This question will be explored by analysing secondary data from interviews made at Pixar to find examples of the four leadership styles (idealized influence, inspirational motivation, intellectual stimulation and individualized consideration) which are characteristic of TL.
Idealized influence - Pixar is often seen as the perfect marriage of technology and art. At Pixar there are two enthusiastic role models, one for the technologists and one for the artists. Catmull is passionate about how to develop the Pixar technologies one step further in order to take CGI movies to the next level. Lasseter is a legend in the animated feature film community, and an inspirational role model for young animators (Burrows & Grover, 1998; Levy & Hafner, 1997; Schlender, 2004).

Intellectual stimulation - Creativity and fresh thinking is what Pixar is all about. Each new Pixar film is a challenge from a technical, a business and a creative aspect. An unknown Pixar employee comments on the ambitions at Pixar:

There’s a tremendous amount of internal pressure here… But it’s a wonderful kind of pressure because it’s not about winning. It’s about making a movie as great as you can. Not good. Not very good. Great. (Corliss & Philadelphia, 2004: 80)

Inspirational motivation - Jobs’ charisma and Reality Distortion Field are effective tools to communicate his passionate vision of Pixar as the storyteller for the 21st century:

He wants Pixar to tell the stories the children grow up with—the Snow Whites, Mary Poppinses, and Lion Kings for future generations (Burrows & Grover, 1998: 141). There are many stories about how Jobs obsessively goes after every detail in every aspect of the business:

[On building a new office:] Not surprisingly, Jobs fussed over every detail – going so far as to persuade one brick supplier to reopen a long-shuttered kiln […] because it was the only one […] that could produce the […] color he wanted’ (Schlender, 2001).

Individualized consideration - It has not been possible to find any evidence showing that the fourth TL style is employed at Pixar.

Conclusions

This brief analysis of secondary data indicates that at least three of the four leadership styles characterising TL are at work at Pixar. But is this really TL as described in the literature? Bass and Steidlmeier (1999) claim that a narcissistic person is never able to practise authentic TL since this requires a level of empathy which is by definition out of the narcissist’s reach. Based on the data available, it is not possible to conclude whether the leadership at Pixar really is transformational or if it merely is pseudo-transformational as Bass and Steidlmeier (1999) term the counterfeited version of TL exhibited by narcissists. However, assuming that the interviews
give an accurate picture of the situation at Pixar, it is reasonable to believe that Steve Jobs is indeed a productive narcissist who has been able to control some of the downsides of his personality. Further, it looks as if the three leaders, Jobs, Catmull and Lasseter, have been able to implement a very effective form of leadership where creativity is able to flourish. Their approach to leadership has so many parallels to Bass’ definition of transformational leadership, that we may come to the conclusion that it is transformational indeed.

References

The staging of ‘Captain Outrageous versus the Australian Scumbag’ - An analysis of Media Mogul Ted Turner and his feud with Rupert Murdoch

Maria Norbäck

Abstract
This article looks at the feud between media moguls Ted Turner and Rupert Murdoch as it has been played out in the media. It is argued here that both leaders are using their dislike for each other as an impression management strategy to paint a desired picture of themselves in the eyes of their targeted audience. It could thus be said that the ‘clash of the titans’ is more than just hostility between two competing media leaders. It is also a way of creating a strong image of a leader and a symbol for their organizations and employees.

Introduction
Rupert Murdoch, Steve Jobs, Ted Turner - these media moguls are all powerful men that in one way or another have an effect on our lives in terms of what we read and watch. Media leaders do in many ways function as symbols for the media conglomerates they lead, and have in our mediated world become the equivalent to stars in one of the most scrutinized and watched industries of all. The picture we have of them is built on what we see them say and do in the media – performances that are often rigorously staged and directed by themselves and their PR-departments. The media thus function as a stage where the part of the media mogul is staged and played by the Murdochs, the Turners and the Jobs. Leaders’ performances will try to conceal and tone down aspects they perceive the audience will interpret negatively, and focus on aspects of their selves they feel will be received in a positive way.

In this paper I will explore the feud between the founder of CNN – Ted Turner - and another media mogul- Rupert Murdoch. My aim is to try to understand how their hostility is being staged in the media and how this is creating the image we have of them. A theoretical framework that can help in the understanding of how this is done is provided by the dramaturgic approach within the stream of research known as symbolic interactionism, where a key element is impression management.
Impression management

Goffman (1959) belongs to the symbolic interactionist school, and is the founder of what usually is called the dramaturgic approach. He has studied the mode of presentation employed by actors and its meaning in the broader social context. According to this way of understanding the world, all sorts of human interaction can be seen as a series of performances by actors that do the best they can to present themselves in the way they want to be seen. Our everyday lives, and all our social behaviour are therefore made up of performances in which we ultimately try to convince people that we are what we are - or what we wish to be. The human identity (the persona in Goffman’s vocabulary) is therefore under constant construction. Life is truly a stage, and we are nobody without our costumes, our decorations and our lines. Goffman’s main idea is thus that through symbols, gestures, clothes and speech we mediate an image of ourselves, and receive images of whom and what other people are.

Goffman coined the term ‘impression management’, and referred to ‘the attributes that are required of a performer for the work of successfully staging a character’ (Goffman, 1959:203). Rosenfeld et al (1995:4) define impression management as ‘the process whereby people seek to control the image others have of them’. Within impression management it is however not only the impression of one self that can be managed, but other individuals, events, and objects are also managed in an attempt to give the audience the desired impression. Impression management consists of both conscious strategies of giving impressions as well as unconscious and is ever present. As Goffman writes: ‘Performers can stop giving expressions but cannot stop giving them off’ (1959:111). He thus argues that we constantly engage in impression management and that this works as a social lubricant that greases all kinds of social interaction.

How, then, is impression management exercised? Rosenfeld et al (1995) describe ingratiation as one of the most common acquisitive impression management strategies: how one can make oneself more liked and attractive to others. The researcher who originally conceptualized ingratiation described it as ‘a class of strategic behaviours illicitly deigned to influence a particular other person concerning the attractiveness of one’s personal qualities’ (Jones, 1964, in Rosenfeld et al, 1995:32). Ingratiation tactics include opinion conformity, favour-doing, other-enhancements (flattery and compliments) and self-enhancement. Other types of acquisitive impression management are self-promotion where the aim is to be seen as competent, intimidation where the goal is to be feared, and exemplification which involves the managing of impressions of integrity, self-sacrifice and moral worthiness. There is also indirect acquisitive impression management where people use associations to popular persons, groups or symbols to enhance themselves. Rosenfeld et al, 1995

I shall now turn to media mogul Ted Turner – a performer that seems to thrive in the limelight and loves being the centre of attention. I will use the
concepts from impression management theory to analyse Turner’s statements of himself and his rival as they are portrayed in the media.

Ted Turner the philanthropist

Ted Turner is the outspoken, charismatic philanthropist and founder of CNN, who is now a free renegade on the warpath against media concentration and media conglomerates in general, and Rupert Murdoch and Fox News in particular.

At the age of 25 Turner inherited the family billboard company, the profit from which he used to finance his biggest hobby; sailing. In 1977 Turner was the captain of the winning ship in the American cup, a race where he showed the world both his skills in sailing and his verbal talents (Hack, 2003). The name of Turner’s boat, Courageous, together with his outspokenness earned him the nick name ‘Captain Outrageous’, that together with his other nickname ‘The mouth of the South’ give quite a vivid picture of the young Turner.

However, once he had launched CNN, Turner became more aware of the problems in the world. He saw CNN as a network that would not only cover the whole world, but also bring some of the rest of the world into Americans’ living rooms (Tungate, 2004:13):

The thing that made me think internationally was…sailboat racing. I went all over the world racing sailboats… (and) I realized how parochial most Americans are. We’re such a big country and a wealthy country, and we think that the world- like the Romans did at the time of the Roman Empire-somehow circles around us. That we’re the centre of the universe.

In the summer of 1986, Turner arranged the Goodwill games in Moscow; a big athletic competition designed to bring the east and west closer together. When he received criticism for the poor financial performance of the games (he lost 28 million dollars on the event) and the low quality television footage that came out of it, Turner replied (Hack, 2003:248):

This wasn’t about making money. My main concern is to…build up a global communications system that helps humanity come together. Money isn’t everything, man. Jesus Christ didn’t make money; neither did Martin Luther King.

When Turner explains the motives behind both the launch of CNN and the arrangement of the Goodwill games, he frames both in altruistic terms. Those who know of Turner’s extensive donations to charity would probably not doubt his sincerity about these issues. However, when Turner explained the altruistic reasons behind the launch of CNN, he kept silent about any other reasons that might also have lay behind his desire to create a global news network, such as personal or monetary ambitions. The performance staged was thus aimed at giving an ‘idealized’ appearance of the Turner – any other aspect of his
personality. As Rosenfeld et al. (1995) argue, impression management might not only be aimed towards other persons (although it usually is), but the audience can also be the actor herself/himself. It can thus be argued that Turner is not only trying to manage impressions before an external audience, but also an ‘internal’ audience – himself. When his audience imputes their benevolent reactions on Turner, his sense of himself as a good-hearted philanthropist is confirmed and reinforced.

Come 1997, Turner’s wealth had increased and he was now worth more than three billion US dollars. He decided to donate a third of this fortune – one billion dollars - to the UN for their work on children, landmines and refugees. This was also designed as a challenge for other people in his position (Peers, 1997):

*I’m putting every rich person in the world on notice that they’ll be hearing from me about giving money. I’m setting the standard for gallantry.*

In 1991, when Turner was appointed Time magazine’s Man of the year 1991, he stated boldly that:

*I’m not going to rest until all the world’s problems have been solved* (Hack, 2003:293).

His donation was an example of the impression management technique known as exemplification: by giving this money to charity he displayed to the world both self-sacrifice and a high moral worthiness. But he also intentionally put pressure on similarly wealthy individuals to do the same. In a world where many rich people give donations to many charity projects, his exceptionally large donation makes Turner stand out as the very personification of generosity and humanity.

*Turner vs. Murdoch*

In his attempts to make the world a better place, Turner was bound eventually to run into another media mogul, who was (at least in Turner’s mind) going the opposite way - Rupert Murdoch. Their mutual dislike has come to guide much of Turner’s actions (Küng, 2000). In 1995, before Turner merged his Turner Broadcasting System with Time Warner, Murdoch was quoted saying (Hack, 2003:335):

*I made a joke about buying CNN just to annoy Ted the other day. He gets a bit excited at times.*

According to Turner, the reason for the merger between TBS and Time Warner was to make sure Murdoch wouldn’t get his hands on CNN (Küng, 2000:82):

*Time Warner was the best place for us to go. I didn’t want to get run over by a car and have Rupert Murdoch, God forbid, end up with CNN.*
When Murdoch let the world know that he was going to launch a news network of his own that would compete with CNN, he stated that America needed an alternative (Hack, 2003:342):

_We think it’s about time CNN was challenged, especially since it tends to drift further and further to the left. We think it’s time for a truly objective news channel._

This ‘objective’ news channel, which Murdoch spoke of, is what we today know as Fox News. Turner’s reply was that he was looking forward ‘to squishing Rupert like a bug’ (Kung, 2000:82).

This meant war. Turner later accused Murdoch for being a _Schlockmeister_, because of his programming content at Fox Broadcasting. Murdoch’s reply to this was:

_To this, I guess, I must plead guilty. We [at Fox] do, however, draw the line at professional wrestling and brown-nosing foreign dictators. You’ll have to turn to Ted’s channel to see that. I’m reminded of something Disraeli said to a colleague: ‘It’s true that I am a low, mean snake. But your, sir, could walk beneath me wearing a top hat’ (Hack, 2003:343)._ 

The opposing ideologies of Turner and Murdoch are obviously the driving force behind their conflict. Murdoch disapproves of Turner’s liberal/left views: Turner is a friend of Ralph Nader, he has criticized the US support of Israel and he has even been invited on a personal visit to Cuba where he went fishing, smoking cigars and drinking with Castro (Hack, 2003). Murdoch on the other hand is far more right-wing and had close connections to both Thatcher and Reagan.

The battle between the two intensified when Time Warner hindered Fox News from being carried by Time Warner’s Manhattan cable service. Turner drew parallels between Murdoch and Hitler, saying that the way Murdoch managed news was similar to Hitler’s propaganda in the third Reich (Teather, 2005). The Murdoch-owned _New York Post_ retaliated by writing that Turner (an admitted sufferer of bi-polar disorder) must be off his lithium (bi-polar disorder medication) again. Turner called Murdoch an Australian scumbag and a disgrace to journalism. The media moguls blocked each others’ ads and channels, and Giuliani, the mayor of New York, was dragged into the fight on Murdoch’s side and for this he received a lawsuit from Time Warner.

In the US market, Fox passed CNN’s ratings in January 2002 and has been a heavy promoter of both the Bush administration and the war in Iraq. Turner called Murdoch a warmonger:
He’s a very dangerous person. He’s proven it during this war in almost surprising fashion. He’s exploiting this war to help build the circulation for his television network and his newspapers… This is Murdoch’s war.

In a speech in 2005 Turner again attacked the journalism practiced at Fox News (Teather, 2005):

…it does pose problems for our democracy. Particularly when the news is dumbed down, leaving voters without critical information on politics and world events and overloaded with fluff. We need to know what is going on in the world. A little less Hollywood and a little more hard news would probably be good for our society.

Fox retaliated (Teather, 2005):

Ted is understandably bitter having lost his ratings, his network, and now his mind.

The creation of ‘the good guy’

The drama of the media moguls Turner and Murdoch is very much a story of a clash between opposing political views. Interestingly these two views are also represented by the journalism that CNN and Fox News practice, something that has made their feud even more spectacular. The feud between Turner and Murdoch is thus so much more than just competition between two companies and two leaders within the same industry. The nature of this conflict seems also to lie on a much deeper, personal level, where the two media moguls insult each other personally, as well as criticizing each others companies. However, an interpretation of their behaviour using an impression management approach would suggest that the conflict has more levels than mere personal dislike. For the liberal Turner, Murdoch is the ideal enemy. He personifies everything that Turner and his preferred audience regard as ‘the dark side’. Their feud in the media has been presented as a battle between good and evil, where Turner performs the role of the ‘good guy’. (This is obviously seen from Turner’s perspective; followers of Murdoch would argue that the opposite is true). In Murdoch, Turner has picked an antagonist in which he can reflect himself,

1 Citation from speech to the Commonwealth club in San Fransisco on 17 April 2003, www.gawker.com.
An Analysis of Media Mogul Ted Turner and his Feud with Rupert Murdoch

creating an even stronger impression of the values he symbolizes. This could not have been achieved if Turner was a single actor in the play: In this scenario the goodness of Turner is contrasted with the evilness of Murdoch, thus making Turner shine even brighter.

As well as association with esteemed people is a form of impression management (Rosenfeld et al, 1995), so is disassociation with discredited individuals. When Turner is letting his audience know that he is Murdoch’s number one opponent, he is exercising impression management by disassociation, in order to impress his followers. Turner also uses very emotionally-charged symbols in his statements - Hitler as a comparison to Murdoch, Jesus and Martin Luther King as comparators to himself. As mentioned earlier, this also hides any similarities that might exist between the two men. Turner has, for example, been criticized for his ambition to create a global television network that would help to spread ‘American imperialism’ and create a destructive ‘24-7’ journalism that gives no time for thorough analysis and reflection (Robinson, 2002). Media critics have also argued that Turner’s criticism of media concentration serves his own purposes by boosting his own credibility in a time when a lot of people are becoming increasingly cynical about the mainstream media (www.thetruthseeker.co.uk). It also serves to neutralize criticism that might arise from Turner’s former affiliation with AOL/Time Warner and his own media companies.

Conclusions

The staging of Turner and Murdoch in dichotomous positions on opposite ends of a scale of quality journalism, philanthropy and politics is an effective way of creating a certain image to a targeted audience. As social identity theory (Ashfort & Mael, 1989) states, it is not only what you are that defines you, equally important is what you are not. It is argued here that Turner uses his antagonism with Murdoch for this purpose: Murdoch is all that Turner is not, and the rivalry between the two makes this very clear. But it is also argued that Turner not only directs his impression management towards an external audience, he also portrays himself as the ‘personification of gallantry’ to reify his own sense of identity- his idealized self.

The drama of ‘Captain Outrageous and The Australian Scumbag’ is not likely to end in any near future, since none of the antagonists seems to be surrendering. Turner is however ten years Murdoch’s junior, and has been quoted saying about Murdoch: “If the actuarial tables are right, he’ll be dead ten years before me, and I’ll have ten years of peace and quiet” (Hack, 2003:325)
References


[www.gawker.com](http://www.gawker.com) retrieved 2005-09-07

[www.thetruthseeker.co.uk](http://www.thetruthseeker.co.uk) retrieved 2005-05-20
Contributors

Piet Bakker is Associate Professor at the Department of Communications at the University of Amsterdam/Amsterdam School of Communications Research (ASCoR). He has edited and published books and articles on reading habits, media history, local journalism, internet, Dutch media, international news, investigative journalism, the future of the music industry in the internet area and free daily newspapers. Piet.Bakker@uva.nl.

Anders Bjurstedt is a PhD candidate at the Royal Institute of Technology, Sweden. His doctoral dissertation concerns the European publication printing industry during the last 20-25 years. anders.bjurstedt@chello.se.

Robert Alan Brookey is Associate Professor of Communication at Northern Illinois University. Recent research has focused on synergistic practices between the film and video game industries. Dr. Brookey also serves as the Co-Director of the Laboratory for Interaction, Networking and Communications at Northern Illinois University. tm0rab1@wpo.cso.niu.edu.

Min Hang is a PhD candidate at the Media Management and Transformation Centre, Jönköping University, Sweden. Her current dissertation research concerns new media strategy and corporate venturing for emerging media business. Min.Hang@ihh.hj.se.

Lucy Küng is assistant professor at the Media Management and Transformation Centre, Jönköping University, Sweden. Her research focuses particularly on the impact of culture, leadership and creativity on strategy and performance outcomes in the media sector. She is the author of Inside the BBC and CNN, and Strategic Management in the Media Sector (forthcoming). Lucy.kueng@bluewin.ch.

Tomas Müllern is professor in business administration at Jönköping International Business School. He is the author of a number of books on leadership and a new book, A Grammar of Organizing, will be published in 2006. tomas.mullern@ihh.hj.se

Paul Murschetz is lecturer in media economics at the University of Bern (ikmb), Switzerland, and visiting professor at the Autonomous University of Lisbon/PT. Research activities include the regulation of interactive TV, and the interactivity and customer integration in e-commerce. paul.murschetz@ish.de
Maria Norbäck is a doctoral candidate, Jönköping International Business School, Sweden. Her doctoral dissertation concerns collaborative Public Service television programme production. Maria.Norbäck@ihh.hj.se.

Anastasios E. Politis is assistant professor at the Dept of Graphic Arts Technology, Athens Technological Educational Institute. His main research focus is on the strategic analysis and documentation of new technologies, education and training, investments and future structure of the Graphic Arts, Media and packaging sector in Europe. politisresearch@techlink.gr

Angela Powers is professor and director of the A.Q. Miller School of Journalism and Mass Communications at Kansas State University. She is an expert on media management, broadcast journalism, and digital news. convergence.apowers@ksu.edu.

Alfonso Sánchez-Tabernero is professor of Media Management at the University of Navarra, Spain. He has published numerous books and papers about strategic management of media companies. His most recent is Media Concentration in Europe, New Trends and Challenges (with M. Carvajal), (2003). astabernero@unav.es.

Dan Shaver is assistant professor in the University of Central Florida department of Journalism. His research focuses on media management and economics. dshaver@mail.ucf.edu.

Mary Alice Shaver is professor and director at the Nicholson School of Communication at the University of Central Florida. Her main research focus is on the economics of advertising and competitive strategy. She is author of Make the Sale: How to Sell Media with Marketing. mshaver@mail.ucf.edu.

Ingela Wadbring is lecturer at the Department of Journalism and Mass Communication, Göteborg University, Sweden. Her main research focus is on current developments in the newspaper sector. ingela.wadbring@jmg.gu.se.

Patrik Wikström is a lecturer and PhD candidate at Karlstad University, Sweden, and affiliated doctoral researcher at the Media Management and Transformation Centre at Jönköping International Business School, Sweden. His dissertation research concerns strategic management in multinational music companies. patrik.wikstrom@kau.se.

Lee Wilkins is professor at the School of Journalism at the University of Missouri and at the Truman School of Public Affairs at Missouri. She is the
associate editor of the Journal of Mass Media Ethics, and the author of numerous articles and books, the most recent of which is *The Moral Media: How Journalists Think about Ethics*, (with Renita Coleman).

wilkinsl@missouri.edu
JIBS Research Reports


(1999-1) Florin Samuelsson, Emilia: Redovisning och små växande familjeföretag, Licentiatuppsats i företagsekonomi


(1999-3) Samuelsson, Mikael: Swedish Family and Non-family Enterprises - Demographic and Performance Contrasts


(1999-5) Hansemark, Ove C: Teoretiska, metodologiska och praktiska problem kring entreprenörskap och trait-ansatsen, Licentiatuppsats i företagsekonomi

(1996-6) Salvato, Davidsson & Persson (eds.): Entrepreneurial Knowledge and Learning. Conceptual advances and directions for future research

(2000-1) Jonson Ahl, Helene & Florin Samuelsson, Emilia: Networking through empowerment and empowerment through networking


(2000-3) Blombäck, Anna: Growth and risk-taking behaviour in SMEs

(2000-4) Eriksson, Agndal, Brunninge, Bäckström & Karlsson: Jönköpingsregionens näringsliv - Dynamik, drivkrafter och samverkan

(2001-1) Bruns, Volker: A dual perspective of the credit process between banks and growing privately held firms, Licentiate thesis in Business Administration


(2002-1) Salvato, Carlo: Antecedents of Entrepreneurship in Three Types of Family Firms


(2002-3) Kyrö, Paula: Benchmarking Nordic statistics on woman entrepreneurship

(2002-4) Agndal, Henrik and Axelsson, Björn (eds.): Networks and Business Renewal
(2003-1) Alberti, Fernando: *What makes it an industrial district? - A cognitive constructionist approach*


(2005-1) Picard, Robert (ed.): *Corporate Governance of Media Companies*, Media Market and Transformation Centre

(2005-2) Dal Zotto, Cinzia (ed.): *Growth and Dynamics of Maturing New Media Companies*, Media Market and Transformation Centre

(2005-3) Larsson, Johan: *Development of suppliers and supply chains – Supplier development as a purchasing strategy*, Licentiate thesis in Business Administration


(2006-1) Küng, Lucy (ed.): *Leadership in the Media industry - Changing Contexts, Emerging Challenges*, Media Market and Transformation Centre