

# KNOWN AND LOVED: LEADERSHIP AS GARDENING

Relatedness supportive leadership for innovation emergence

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Veera Vaarnamo  
Aalto University School of Business  
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<b>Author</b>	Veera Vaarnamo	
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### Abstract

Innovation cannot emerge without creativity, which is intricately embedded in the humanity of people. Therefore, businesses pursuing innovation need a deep understanding of how employees' humanity can be fostered in organizations. This can be done through the creation of such an organizational environment in which the humane needs of employees are met. This thesis seeks to understand practices and leadership through which such environments can be formed into knowledge intensive organizations.

Leadership for innovation and preconditions for individual level creativity have been researched in academia extensively. The study of leadership has recognized a suitable theory for innovative contexts: Entrepreneurial leadership. In addition, creativity is found to emerge from intrinsic motivation, embedded in Eudaimonia-wellbeing, which is fostered through the support of basic psychological needs. One of these needs, relatedness, and its related concept belonging, have been studied across fields and contexts for decades, and set the social setting for all of the three needs to be satisfied. In work contexts their support has been recognized to produce benefits such as effectiveness and creativity.

However, knowledge about the practical ways in which relatedness can be supported through leadership, specifically in innovative contexts in Nordic settings, is still needed. Therefore this research aims to find strategies for relatedness support among the Founder-CEO's of entrepreneurial ventures in the Finnish technology industry. Following principles of grounded theory, the qualitative study of this thesis was conducted through eight semi-structured interviews. The data was analyzed through thematic analysis and by inductive means formed into a theory.

The findings of this study propose 14 relatedness supportive, leadership related strategies in four distinct categories. In addition a new conceptual leadership framework, Leadership as gardening, is proposed. Distinguished from Entrepreneurial leadership it provides an employee centric perspective for the purpose and nature of leadership for innovation emergence.

Organizations willing to reform their leadership paradigms from being merely task oriented to include a humane, need supportive focus, can harness the creative potential of their employees for innovation, and provide motivators beyond financial benefits. In addition both employees and managers can access the mental resources produced by high-quality professional relationships.

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**Keywords** relatedness support, leadership, innovation, belonging, leadership as gardening, SDT

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## Tiivistelmä

Innovaatioita ei voi syntyä ilman luovuutta, joka kumpuaa ihmisten inhimillisistä ominaisuuksista. Siksi yritysten, jotka tavoittelevat innovatiivisuutta, on ymmärrettävä syvällisellä tavalla miten vaalia inhimillisyyttä organisaatioissaan. Tämän mahdollistaa sellaisten organisaatioympäristöjen luominen, jotka tukevat työntekijöiden inhimillisiä tarpeita. Tämä opinnäytetyö pyrkii ymmärtämään niitä käytänteitä ja johtamista, joiden kautta tällaisia työympäristöjä on mahdollista toteuttaa tietopainotteisissa organisaatioissa.

Innovaatioihin tähtäävää johtamista sekä yksilötason luovuuden edellytyksiä on tutkittu akateemisesti, laaja-alaisesti. Johtamisen tutkimuksessa on tunnistettu innovatiivisiin asiayhteyksiin sopiva teoria, Yrittäjämäinen johtaminen (Entrepreneurial leadership). Tämän lisäksi luovuuden on löydetty kumpuavan sisäisestä motivaatiosta, joka liittyy kiinteästi Eudaimonia-hyvinvointiin, jota puolestaan on mahdollista vaalia tukemalla psykologisia perustarpeita. Yhtä näistä tarpeista, yhteenkuuluvuuden (yhteisöllisyyden) tarvetta (Relatedness), sekä siihen liittyvää käsitettä, kuulumista (belonging), on tutkittu vuosikymmeniä useiden tieteenalojen ja asiayhteyksien piirissä. Ne määrittävät sen sosiaalisen ympäristön, jossa kaikki kolme psykologista perustarvetta tulevat kohdatuksi. Työn alueella niiden tukemisen on löydetty tuottavan hyötyjä, kuten tehokkuutta ja luovuutta. Kuitenkin tietoa sellaisista käytännöllisistä tavoista, joilla yhteenkuuluvuuden tarvetta voidaan tukea johtamisen kautta, erityisesti innovatiivisissa ja pohjoismaisissa asiayhteyksissä, tarvitaan lisää. Siksi tämä tutkimus pyrkii löytämään strategioita yhteenkuuluvuuden tarpeen tukemiseksi Suomen teknologia-alan kasvuyritysten perustaja-toimitusjohtajien käsityksistä. Seuraten ankkuroidun tutkimuksen periaatteita, tämän opinnäytetyön laadullinen tutkimus toteutettiin kahdeksan teemahaastattelun kautta. Siitä saadut tiedot analysoitiin aihekohtaisella analyysimenetelmällä, ja muodostettiin teoriaksi induktiivisella menettelyllä.

Tämän tutkimuksen tulokset esittävät 14 yhteenkuuluvuuden tarvetta tukevaa, johtamiseen liittyvää strategiaa neljässä kategoriassa, sekä uuden teoreettisen viitekehyksen johtamiselle: Johtaminen puutarhanhoitona. Tämä viitekehys eroaa Yrittäjämäisestä johtamisesta tarjoamalla työntekijään keskittyvän näkökulman johtamisen luonteelle sekä sen perimmäiselle tarkoitukselle, innovaatioiden synnyttämiseksi. Organisaatiot, jotka ovat valmiita uudistamaan käsityksensä vain tehtävien suorittamiseen keskittyvästä johtamisesta sellaiseen, jossa työntekijöiden inhimilliset tarpeet ovat johtamistoimien keskiössä, mahdollistavat työntekijöidensä luovan potentiaalin hyödyntämisen innovaatioiden synnyttämiseksi. Tämän lisäksi sekä työntekijät, että heidän esihenkilönsä saavat käyttöönsä ne henkiset voimavarat, joita korkealaatuiset työn piirin ihmissuhteet tuottavat.

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**Avainsanat** yhteenkuuluvuus, johtaminen, innovaatio, johtaminen puutarhanhoitona, SDT

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# 1 Introduction

*In a sort of ghastly simplicity we remove the organ and demand the function. We make men without chests and expect of them virtue and enterprise. We laugh at honour and are shocked to find traitors in our midst.*

– C.S. Lewis, *The Abolition of Man*

As the fragmentation of leadership studies suggests (Glynn & Raffaelli, 2010), leadership is an ambiguous and multifaceted phenomenon of which not much is what scholars have found agreement on (Yukl, 1989; Alvesson, 2019). The numerous different leadership styles (perhaps presenting the different trends of their own time) found throughout the history of its research show how contextual the phenomenon is. However, something that the field seems to mostly agree on is that leadership is positive influence (Yukl, 1989). Because of its contextual nature, an ever-interesting question remains in each context such influence is used: what is it that makes leadership effective in a particular context?

The burning societal and environmental questions of our time call for new, non-harmful ways of utilizing the immaterial and material resources we have at our use. Innovation, as a way to do so, is emergent in multiple domains of society, including work (Esquinas, 2021). The emergence of innovation in work contexts has an essential prerequisite: the creativity of individual employees (Hughes et al., 2018). A natural context for the emergence of workplace creativity and innovation are entrepreneurial ventures, because entrepreneurship and creativity are inherently connected through entrepreneurial action (Cai et al., 2019). Through agency (Beckert, 1999) and imprinting (Simsek et al., 2015) entrepreneurs are able to influence the innovative DNA of their company.

The current understanding of a suitable leadership style for innovation oriented entrepreneurs, or intrapreneurs in established companies, is entrepreneurial leadership. Among other related features, entrepreneurial leadership refers to certain signature activities listed by Gupta et al. (2004), according to which entrepreneurial leaders are able to extract extraordinary commitment from stakeholders; assure them of their ability to achieve aspired outcomes; cast a convincing vision; and persevere when the environment changes.

While it is typical for entrepreneurial leaders to encourage individuals to work together in teams to accomplish creative outcomes (Cai et al., 2019), a significant aspect of why such team work is effective, and overall the

emergence of creativity in individual employees, has been investigated beyond the theory of entrepreneurial leadership. In creativity research intrinsic motivation is recognized to have an essential role in the emergence of creativity (Amabile, 1983; Amabile & Pratt, 2016) and in motivation research the role of creativity is presented as an essential outcome of intrinsic motivation (Ryan & Deci, 2017). Hence, if it is positive influence for the intrinsic motivation of employees, that is needed for innovatively oriented contexts, still a question remains of how exactly can the intrinsic motivation of employees be positively influenced?

Self-Determination theory (SDT) is the predominant motivation theory describing the nature, formation and outcomes of intrinsic motivation. Its main premise is that people are inherently oriented for psychological growth, internalization and wellbeing (Deci et al., 2017). Psychological growth is evident in being intrinsically motivated for activities such as exploration and curiosity; internalization means the process through which for example the values and needs of an environment, even if not naturally intrinsically motivating, become more intrinsically motivating to a person through identifying with it (Van den Broeck et al., 2016); and wellbeing, which is understood as Eudaimonia or Flourishing, entailing holistic wellbeing in fulfilment of ones humanity, instead of mere happiness or hedonism.

Instead of the usual dichotomy between intrinsic and extrinsic motivation, as in other motivation theories, SDT views motivation as a continuum from amotivation to intrinsic motivation, including stages from controlled motivation (extrinsically oriented) to autonomous motivation (more intrinsically oriented). Through this continuum the level of motivation, and hence the outcomes of psychological growth, internalization and wellbeing, are detected. The level is determined by how supportive or frustrating an environment is of three basic psychological needs: autonomy, competence and relatedness (Ryan & Deci, 2017). Autonomy means acting with full volition and freedom to choose, competence the confidence in ones skills, capabilities and developing them, and relatedness the feeling of being reciprocally loved and cared for (Ryan & Deci, 2017; Van den Broeck et al., 2016).

These three needs are intertwined in producing wellbeing, similarly to a three-legged stool – if one leg is missing it will not stand (Ryan and Deci, 2017, p.250). While the support for autonomy is needed to produce support for both competence and relatedness (Ryan & Deci, 2017), support for relatedness sets the social environment in which the other two needs are being met (Van den Broeck et al., 2016). The factors that determine whether relationships support their parties' need for relatedness, are whether they are autonomy supportive, genuine, intrinsically valuable (not a means to an end) and respective of one's perspective (Ryan & Deci, 2017). Belonging is a

foundational aspect of relatedness. It has been researched across multiple fields and hence, similarly to leadership, lacks a coherent definition. However, it can be defined as a fundamental human need (Allen et al., 2022) and motivation (Baumeister & Leary, 1995). Belonging is characterized by experiences of being accepted, respected, included and supported (Goodenow & Grady 1993), as well as stability, continuity, frequent interactions and a bond of caring (Baumeister & Leary, 1995).

Given that belonging infused relatedness is an essential need that requires support and fulfilment in order for autonomous motivation, and hence, well-being produced creativity to occur; and that entrepreneurs are strategic agents for creativity produced innovation, entrepreneurial ventures are an ideal context in which to ask: how do leaders in entrepreneurial contexts foster the support of relatedness needs within their organizations for creativity to emergence among their employees, in order for the goal of innovation to be achieved?

In answering the above questions, this multidisciplinary thesis contributes to both areas of research, SDT and leadership. First, it expands SDT's contextual understanding of relatedness support by revealing 14 relatedness supportive strategies of Founder-CEO's in the Finnish technology industry. Many of these strategies being characterized by a perception of employees as holistic individuals beyond their professional role, as well as altruism (meaning "motivation with the ultimate goal of increasing another's welfare" (Batson et al., 2010, p. 16)), this contribution adds contextual knowledge to SDT research about how relatedness can be practically supported in entrepreneurial settings. Second, for the study of leadership, through the recognition of two significant avenues for leadership out of these relatedness-supportive strategies, it suggests a new conceptual leadership framework to support the emergence of innovation in knowledge intensive organizations. This conceptual framework contributes to the field of leadership studies by providing an individual employee-focused, SDT-based perspective for effective leadership in pursuits of innovation.

These findings have implications for the management of innovation seeking companies in terms of the locus of their leadership paradigms. The study provides a model for how the support for basic psychological needs, and especially the need for relatedness can be leveraged for employees to be intrinsically motivated and more creative in work contexts. The results of this study and its resulting conclusions link together insights from leadership studies and psychology, including SDT and belonging, to provide a novel linking of key elements that provide a literature-backed foundation for innovation in entrepreneurial settings. As such, the present research has novelty in leveraging the relatedness component of SDT to better understand leaders' efforts

to improve their teams in the Finnish technology startup and scaleup companies, while simultaneously providing a roadmap of why relatedness matters in entrepreneurially oriented leadership.

## **1.1 Research design and objectives**

Considering background literature on the field of leadership, and psychological mechanisms at play in innovation emergence, the empirical research of this thesis explores one significant way through which innovation can be fostered in companies through leadership: the support of the basic psychological need of relatedness among employees. The chosen context for this study is technology startups and scaleups in Finland, because of their creativity infused, entrepreneurial nature. To understand how relatedness is supported in these companies, eight entrepreneurial leaders of these companies (their founder-CEO's) were interviewed.

While SDT, relatedness, belonging and innovation related leadership are already widely researched topics, a deeper understanding of the practical implications of their theoretical integration is still needed, especially in a Nordic context like Finland. In addition, further knowledge about the practical ways in which relatedness can be supported in organizational contexts, is needed. For example Allen et al. (2021) are calling for further research on strategies of how belonging can practically be supported in different contexts.

Therefore, the research question for this study is:

RQ: What kind of relatedness supportive, leadership related strategies do Finnish founder-CEO's express and how do they manifest in their companies?

In addition, the sub questions for this study are:

SQ1: How do these strategies connect to past research on concepts underlying organizational innovation and its individual level preconditions?

SQ2: What are the implications of these strategies to the study of leadership for innovation, as well as the practices of organizations today?

The main objectives of this study are first, to explore the relatedness-supportive leadership mindsets and practices of Finnish founder-CEO's; and second, to deepen the understanding of the ways in which relatedness-

oriented foundations can be built into organizational environments through leadership – for innovation to emerge.

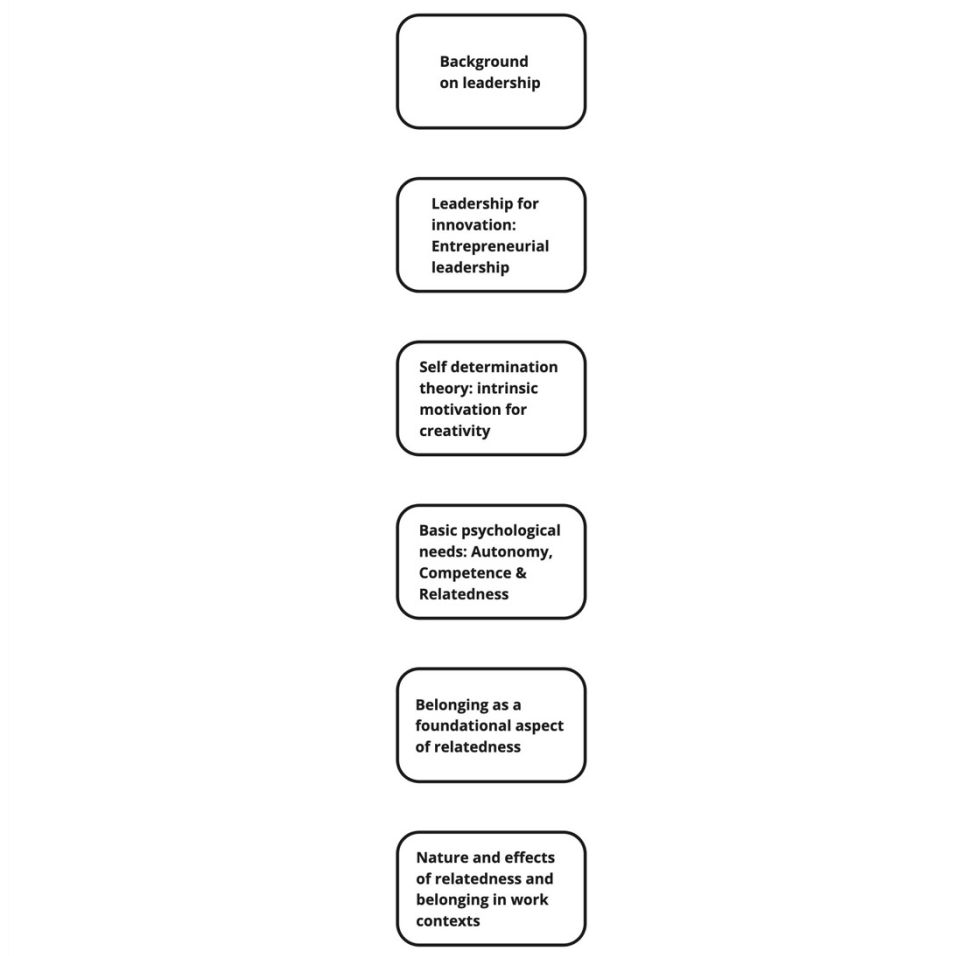
## **1.2 Structure**

This thesis is divided into six chapters structured as follows: first, this chapter has presented the introduction to the topic, background and objectives of this thesis research. In the second chapter relevant theory and literature regarding relatedness support and belonging, as well literature on preconditions for innovation in organizational contexts, is reviewed. In the third chapter the methods of the data collection and analysis of the empirical qualitative study of this thesis will be discussed.

The fourth chapter presents strategies of relatedness support through the analysis of qualitative data from interviews with eight Founder-CEO's of Finnish startups and scaleups. In the fifth chapter the underlying categories of these strategies, their subsequent meaning and a new conceptual framework for innovation emergence, will be discussed. In addition, finally, the sixth chapter concludes the thesis with a discussion of the practical and managerial implications, and limitations of this study, as well as suggestions for future research.

## 2 Literature review

The relevance for relatedness support as a focus of leadership efforts, and hence, the empirical study of this thesis, is rooted in multidisciplinary insights from past research. To understand the importance of relatedness support for business, and the mechanisms through which it becomes effective for innovation emergence, multiple theoretical concepts are examined in this chapter. Before delving into literature regarding relatedness and belonging, concepts underlying organizational innovation and individual level preconditions enabling innovation emergence, are explored (Figure 1). First, background on the study of leadership and its effects on organizational innovation in entrepreneurial contexts, are presented. And second, to understand the role and nature of intrinsic motivation regarding individual level creativity for innovation, Self Determination Theory is presented as the foundational theory explaining the need for relatedness support in organizational con-



texts.

Figure 1. Overview of the literature review's main themes.

## 2.1 Leadership for innovation

### 2.1.1 Background on leadership

Leadership has been studied social scientifically since the 1930's. Its foundations were laid solely on inductive grounds, after which theories and empirical understanding started to emerge (House & Aditya, 1997). Over the past decades there has been an exponential growth in the study of leadership, but despite the large amount of research done, there still seems to be no consensus of what it actually is (Glynn & Raffaelli, 2010). Yukl has suggested that there is only one definition of leadership that all researchers seem to agree on: positive influence (Yukl, 1989). But even this has been criticized as too vague of a concept, including "much more than what it excludes of human life" (Alvesson, 2019). And if even the topic, the very essential focus of research, cannot be agreed on, one can imagine what kind of a multi-faceted jungle-like field the study of leadership is. As a compensation to the lack of clear definition of leadership, it can be seen in the field of leadership studies, that an enormous amount of different ideas and theories has been found of what it could be. A special, and potentially confusing aspect of the field is its many different approaches to leadership, without a broader unity or integration between theories (Yukl, 1989). Because of this, there have been attempts to collect accumulated knowledge from throughout the years leadership has been studied, to create some kind of coherent frameworks and categorizations of theories, for both the practitioners as well as researchers from other fields wanting to integrate their work with leadership studies – to be able to understand the field (Yukl, 1989; House & Aditya, 1997; Avolio, Walumbwa & Weber, 2009; Glynn & Raffaelli, 2010).

In the earlier decades the focus of research was solely on the dichotomy of unitary command: the leader and the followers – and especially the leader. Whereas in recent decades, the focus has slowly shifted from this perspective to cover also the context and levels of leadership, as well as the interaction between all of these aspects (Avolio, Walumbwa & Weber, 2009). In recent years also strong critique regarding the whole field of leadership studies has been raising its voice, asking questions about its scientific legitimacy and objectivity (Alvesson, 2019). As a social scientific field of study, leadership research aims to form knowledge out of ambiguous phenomena. This process is essentially subjective. Even though already in 1989 Yukl interpreted it as a trend that this fact about the nature of the field would be understood among scholars, keeping them humble regarding the solidity of their theories (Yukl, 1989), still 30 years later Alvesson blames the field, not without a reason, of "transforming a variety of ambiguous and hard to study qualities into an "it"" (Alvesson, 2019).

One key issue in the field of leadership research is that it is thoroughly influenced by North American culture. Majority of past research has been conducted in similar cultural conditions: in a large corporation in the United

States, researching white male leaders (Avolio, Walumbwa & Weber, 2009). Problems emerge when trying to apply this kind of knowledge in different kind of cultural settings (House & Aditya, 1997). Even if already for a while the focus of research has broadened to cover different cultures and people from all over the world (Avolio, Walumbwa & Weber, 2009), the American influence hadn't let go of its hold over leadership literature even up until recently, when Alvesson accused majority of it having prominent influences from the American cultural landscape: Hollywoodism and Disneylandism – highlighting heroes and the victory of the morally good people (Alvesson, 2019).

Another critique for the whole construct of leadership comes from the critical and social constructionist approach to leadership research, which calls forth the actual potential of organizational settings. According to them, by understanding leadership the way it actually is – a social construction – more and better opportunities among people can be uncovered in situations in which they are working together for common goals (Smircich & Morgan, 1982; Meindl, Ehrlich & Dukerich, 1985; Gemmill & Oakley, 1992; Fairhurst & Grant, 2010). In this approach leadership is seen as simply a cultural construct – developed over a long period of time and thus, deeply embedded in the collective understanding of humanity's social reality; and not as something absolutely necessary, nor factually existent by nature (Fairhurst & Grant, 2010).

These theories view leadership as a kind of a tool to face uncomfortable life with. As organizations are complex and ambiguous entities, in order for their members to be able to function in them, they need to make sense of them: leadership can serve as an object into which causality, responsibility and certainty can be attributed (Meindl, Ehrlich & Dukerich, 1985). Without stability people in organizational settings are faced with unpleasant emotions, into which the hope of leadership can bring comfort (Gemmill & Oakley, 1992). However, if leadership is a social construction, and not based on an objective reality, this kind of hope can be seen as false, and unnecessarily causing what Gemmill and Oakley (1992) call “social lobomization” – people essentially believing of themselves less than is true. So, according to this view on leadership, it can be seen either as a sense making activity, in which those who are objects of leadership give up their power to define their reality, making it “a power based reality-construction” (Smircich & Morgan, 1982), or on a more bluntly critical note, as a “serious sign of social pathology”, which is the reason for helplessness that is learned among members – not necessary, within organizations (Gemmill & Oakley, 1992). For individuals to not be merely passive members or a group, potentially manipulated or at least wasted potential, according to these theories leadership must be deconstructed – either as a completely unnecessary, or even harmful concept, or at least from its typical individual-hero-leader-oriented approach (Fairhurst & Grant, 2010). The social constructionist understanding of leadership has real life implications. Through owning the social construction of meaning in

organizational settings, its members are activated from passive followers towards possibilities for innovating (Smircich & Morgan, 1982). Even though the concept of mythical heroic leadership in humanity's collective understanding of reality might in some cases be needed for motivating folks into achieving common organizational goals (Meindl, Ehrlich & Dukerich, 1985), deconstructing this kind of myth of a "messiah"-leader or "magical" leadership, expected to save the day, eventually makes it possible for organizational members who, in dichotomic (follower-leader) organizational settings, have been passive with their personal skillsets, to bring their full potential into work for needed change and creativity to emerge (Gemmill & Oakley, 1992).

### **2.1.2 Leadership in focus: the role, agency and imprinting of the entrepreneur**

Despite of Alvesson's (2019) criticism, for the sake of suitability in this context, this thesis adopts Yukl's (1989) broad definition of leadership: leadership as positive influence. Therefore a leader is here seen as a professional role of a person who is expected to have, and aims for positive influence in a company. Here the leadership in focus of research is that of an entrepreneur, meaning a professional role of an agent whose actions aim to deconstruct institutionalized practices to replace them with innovations (Beckert, 1999). According to Beckert (1999) entrepreneurs exercise disruptive strategic agency despite simultaneously destabilizing the certainty provided by institutional norms, either formal or informal. Hence, if it results in strategic value, entrepreneurs are inclined to act even against the prevalent social norms. In addition, through the process of imprinting (Simsek et al., 2015), as founders, entrepreneurs act as imprinters in their companies, ensuring the (relative) permanence of for example certain philosophies and organizational norms within them. This imprinting through entrepreneurs' agency has to do with how certain characteristics or values of the founder become a part of the culture of the company even through organizational change and growth, as long as they are introduced to it in the sensitive periods of its existence such as the founding of the company or any major change like a crisis in markets or the change of executives (Simsek et al., 2015).

### **2.1.3 Entrepreneurial leadership as the facilitator of creativity generated innovation**

At the heart of entrepreneurial efforts in expressing agency is the goal of innovation. Innovation, according to a definition by Anderson et al. (2014) means "the subsequent stage of implementing ideas toward better procedures, practices, or products." (p. 1298). Whereas creativity can be seen as "the cognitive and behavioral processes applied when attempting to generate novel ideas" (Hughes et al., 2018), and it is the prerequisite of innovation. Both emerge at individual, work team and organizational level, and result in

recognizable advantages in some or all of these levels (Anderson et al., 2014). Whether employees of a company are innovative or not, is affected by for example the company culture they operate in, as well as their supervisors' stance regarding innovation (Bagheri et al., 2020).

When it comes to fostering innovation, creativity and entrepreneurship cannot be separated (Cai et al., 2019). Hence, as a vital aspect of entrepreneurship, creativity is also an essential objective of entrepreneurial leadership. In order for new ideas to emerge, creativity is needed. The focus of creativity in entrepreneurial leadership is the discovering of new opportunities for business expansion – for example new products and technologies (Renko et al., 2015). Because employee creativity, as well as team creativity (the collaborative creativity of individual employees in a team) are an integral part of the process of innovation within organizations, it is within companies' best interest to enable them to happen (Cai et al., 2019). Team creativity is an essential source of success for organizations (Mehmood et al., 2021).

Entrepreneurial effort as a management practice means the willingness to embrace risk in business decisions and in active competition with other companies – seeking advantage from innovative organizational behaviors (Covin and Slevin, 1988; Gupta et al., 2004). Managers relying on entrepreneurial effort are able to create novel value for their companies by implementing technologies and products into their organizations from the changing business environments they operate in (Gupta et al., 2004). Research shows that there are certain qualities and behaviors that make an entrepreneurial leader, for such innovative behaviors to occur. Entrepreneurial leaders behave in an entrepreneurial way, which results in followers imitating them as their role models (Renko et al., 2015). They carry a vision of future opportunities, even if their followers want to avoid risk and have no faith in the benefits gained through innovation, while ensuring that their companies are able to change without draining its resources. Entrepreneurial leaders' visions are not restricted by scarce resources, and they are compelling in persuading employees and stakeholders to act in pursuit of those visions (Gupta et al., 2004). Gupta et al. (2004) have mentioned five prerequisites for entrepreneurial leaders to do this: they need to be able to “1. extract exceptional commitment and effort from organizational stakeholders, 2. convince them that they can accomplish goals, 3. articulate a compelling organizational vision, 4. promise their effort will lead to extraordinary outcomes, and 5. persevere in the face of environmental change”.

Renko et al. (2015) found that founders of companies are more entrepreneurial as leaders than non-founders. Entrepreneurial leaders envision worlds that do not exist yet, and therefore need to be able to understand systems and predict possible outcomes (Gupta et al., 2004). They use their creative

abilities in exploring the limitations of current methods to find solutions to novel problems. Instead of conforming to the traditional ways business has been done, entrepreneurial leaders utilize them to serve their visionary thinking for new solutions (Gupta et al., 2004). The work of entrepreneurial leaders also includes supporting their employees in embracing creativity as a vital part of value creation. They do this by setting targets that are reachable, promoting collaborative ways of working (Cai et al., 2019) and by showing example through their own unrelenting pursuit of creative outcomes (Gupta et al., 2004). Entrepreneurial leaders motivate employees to be creative together in teams, for them to reach new strength and levels of creativity (Cai et al., 2019). By motivating employees to learn through exploration, entrepreneurial leaders enable them to have new points of views, extraordinary motivation and commitment. This builds a common culture of purposeful innovation among the team (Gupta et al., 2004). By helping and encouraging employees in their innovative exploration and exploitation of opportunities, entrepreneurial leaders can build their creative self-efficacy. Supporting the individual growth of their employees, entrepreneurial leaders also guide this self-efficacy into successful outcomes (Cai et al., 2019).

As seen here, entrepreneurial leadership seems like an effective leadership style in envisioning, encouraging, exemplifying and framing innovative organizational behavior. However, in order to ensure a sustainable organizational environment for creativity and innovation, a deeper understanding of the emergence of creativity in employees is needed, when choosing leadership styles for innovative contexts. As intrinsic motivation is conducive to creativity (Amabile & Pratt, 2016), contexts that support people's intrinsic motivation enable them to be more creative than contexts that don't (Amabile, 1983). An example demonstrating this is when people are working under external control mechanisms such as rewards or evaluation, their creativity is not optimal. However, when their needed autonomy is supported for example through granting them decision making power, they are able to produce outcomes of enhanced creativity. The nature of intrinsic motivation in creativity is such that it enables the production of high quality outcomes of creative endeavors, like for example music or scientific discovery, which will then naturally attract evaluation and rewards. However, as soon as creative outcomes are produced without intrinsic motivation, but as instruments to satisfy such external motivators, like rewards, it is likely that their quality will decrease (Ryan & Deci, 2017). As such, a closer look at the foundations of intrinsic motivation for creativity is warranted and are delved into here through the predominant motivation theory for self-determination.

## 2.2 Self Determination Theory

Self-Determination Theory (SDT) is a macro theory used in multiple fields including education, leadership and organizational psychology (Van den Broeck et al., 2016). It has evolved from research regarding intrinsic and extrinsic motivation and includes six mini theories, of which two are presented in this literature review: Basic Psychological Need Theory, and Relationships Motivation Theory (Ryan & Deci, 2017). SDT starts with a premise that the natural state of human beings is to attain psychological growth, internalization and wellbeing, and that this state is then either supported or opposed by their environment. Psychological growth is evident as intrinsic motivation for exploration and curiosity, as well as enjoying and being drawn to activities without external rewards (Van den Broeck et al., 2016). Internalization means a mental process through which an individual is capable to transform their motivation regarding any such behavior, which would without internalization, be only extrinsically motivating – into intrinsic motivation, through identifying with it (Van den Broeck et al., 2016). According to Van den Broeck et al. (2016), an example of this can be for example a professor who naturally dislikes teaching courses, but because her identity of a professor indicates that she also teaches courses, she has internalized the task as a part of her job, and is motivated to put effort into it, just as she would if she would be intrinsically motivated to do so.

In addition to psychological growth and internalization, SDT is built on an assumption that basic psychological need satisfaction will result in enhanced wellbeing, which, in addition to the previous two outcomes, is essential to the emergence of work place creativity (Deci & Ryan, 2008). These basic psychological needs will be discussed further on in this chapter. In this context wellbeing means, in respect to the Aristotelean tradition, Eudaimonia (or flourishing), which is distinguished from mere happiness or hedonic satisfactions. Unlike mere happiness, characterized by positive feelings, here wellness entails the state of being fully functioning in vitality and exercising one's human capacities (Ryan & Deci, 2017). Ryan and Deci (2017) describe the state as follows: "a fullness and vitality of organismic functioning in which people are aware, psychologically flexible, and integrated rather than depleted, defensive, rigid, or compartmentalized" (p. 243). Wellbeing, in SDT, is measured for example as negative and positive affect, vitality, health, as well as life satisfaction (Van den Broeck et al., 2016). At the core of SDT is an assumption that higher wellness can be achieved through higher basic need satisfaction, and vice versa regarding need frustration. This has been studied in various life domains such as work and school, as well as both within-person, and between-person levels of analysis. It has been found that the experience of support for basic psychological needs on a general level affects how singular situations or relationships are experienced. This effect also applies vice versa – the satisfaction of the needs in individual situations or relationships affect the experiences of broader domains (Ryan & Deci, 2017).

SDT is different to other need-based work motivation theories in that it focuses on the frustration or support (instead of strength), of three universal, growth-oriented and empirically deduced needs - to predict a continuum of autonomous and controlled (instead of simply the usual dichotomy of intrinsic and extrinsic) motivation and hence, work performance and wellbeing (Deci & Ryan, 2014).

### **2.2.1 Autonomous as intrinsic and controlled as extrinsic motivation**

SDT describes motivation as a continuum from amotivation to intrinsic motivation, in which amotivation means not being motivated at all and intrinsic motivation describing a state in which a person does something because doing it is intrinsically valuable to them. Motivation within this continuum is described being either controlled motivation or autonomous motivation, controlled meaning external forces affecting one's choices, and autonomy meaning full volition (Ronen & Mikulincer, 2014). The forms of controlled motivation on this continuum are external regulation (e.g., rewards or punishments), introjected regulation (e.g., guilt or shame), and identified regulation (e.g., valuing the behavior for personal reasons), whereas autonomous forms of motivation on this continuum are integrated regulation (e.g., aligning the behavior with one's core values) and ultimately intrinsic motivation. According to SDT a process called internalization enables a shift from the controlled forms to the autonomous forms of motivation (Ryan & Deci, 2017).

Fully autonomously (i.e. intrinsically) motivated people have better work performance in efficiency and creativity, than extrinsically motivated people (Deci et al., 2017). Ryan and Deci (2017) present results of studies by which people who are motivated intrinsically are more creative and better in heuristic and high focus assignments, whereas external motivators such as rewards, threats of punishments, imposed goals and deadlines leaves an intrinsically motivated person feeling controlled.

The autonomous regulation of employees can be enhanced through managers' leadership styles that support the employees' basic psychological need satisfaction. One fundamental aspect of such leadership styles is that they show genuine care for the emotions and needs of employees (i.e. individualized consideration) (Manganelli et al., 2018).

### **2.2.2 Psychological needs for intrinsic motivation**

The first one of the two mini-theories presented in this literature review is Basic psychological need theory (BPN), here focused only in the context of work, but researched in multiple domains of society (Ryan & Deci, 2017). According to BPN, in order for the previously mentioned three natural tendencies of people to become a reality for employees, the understanding of their psychological needs is to be utilized in workplaces. Van den Broeck et al.

(2016) describe this as follows: “just as plants need water, sunshine, and minerals to thrive, SDT argues that the satisfaction of three basic psychological needs for autonomy, competence, and relatedness are essential for individuals to achieve psychological growth, internalization, and well-being.” BPN explains what the psychological needs people have are, which when fulfilled, create a psychologically supportive environment for human flourishing. This then enhances the performance, creativity and persistence of employees, which in turn benefit the company (Deci & Ryan, 2008).

In order for employees to be intrinsically motivated in their work like this, their three basic psychological needs need to be satisfied. Much like physical needs for nutrition and sleep, they truly are basic needs, meaning that the reality they create is unrelated to whether an individual realises their desire to have them satisfied, or not. In addition, one need’s frustration cannot be compensated with another need’s satisfaction (Ryan & Deci, 2017). As an example Ryan and Deci (2017) mention how an individual who sacrifices their relatedness satisfaction in order to achieve competence satisfaction, is likely to attain less well-being than one who experiences both. Or as they phrase it: “well-being is like a three-legged stool; pull out any one of these supports and the stool will fall.” (p. 250).

### **Autonomy**

Autonomy support, by for example managers or parents, is the underlying function enabling the satisfaction of all three of the needs. This does not mean that the need for autonomy would be more important than the two others, but that supporting autonomy is likely to be followed by competence and relatedness support (Ryan & Deci, 2017). The need for autonomy refers to a need to act with freedom and ability to choose (Van den Broeck et al., 2016), as well as having full willingness to do so. The frustration of this need looks like feeling controlled through either internally or externally imposed demands (Chen et al., 2015). An important clarification to prevent misunderstanding is that the need for autonomy does not mean a need to be separated from other people’s wishes or needs, but rather to not feel forced to attend to them. The need for autonomy explains why extrinsic rewards cannot produce intrinsic motivation (Van den Broeck et al., 2016).

The need for autonomy can be supported by leaders through encouraging experimentation, valuing employees’ views, providing choices and ensuring that employees don’t feel pressured or forced to do their assigned tasks (Deci et al., 2017).

### **Competence**

The need for competence means a need to feel confident about ones skills and capabilities, as well as developing them (Van den Broeck et al., 2016). The indication of this need being unmet are feelings of failing or doubt in one’s

capabilities (Chen et al., 2015). The need for competence explains why verbal affirmation can produce intrinsic motivation, even though it seems like an external reward (Van den Broeck et al., 2016).

The need for competence can be supported by ensuring that employees have the kind of tasks on their responsibility which are aligned with their current abilities and skills, as well as slightly challenging. Giving feedback that is thoughtful and constructive also helps (Deci et al., 2017).

### **Relatedness**

The psychological need for relatedness refers to a need to reciprocally feel cared for and loved. It has also to do with experiencing belonging in a group as well as the formation of close relationships (Van den Broeck et al., 2016). The need for relatedness is left unsatisfied when one feels lonely or excluded (Chen et al., 2015). According to SDT the fulfilment of the need for relatedness has an indirect positive affect: the distinguished experience of relatedness is not needed simultaneously while accomplishing a task, but rather in the background and as such it represents the social environment within which the three needs are met. Hence, activities can be done with intrinsic motivation when people have security in their relationships (Van den Broeck et al., 2016).

Relatedness is a key factor when it comes to the flourishing or hinderance of intrinsic motivation, even in the face of individual activities (Ryan & Deci, 2017). Satisfaction of the relatedness need is linked to more exploration and curiosity (Ryan & Deci, 2017). While some activities people engage with are intrinsically motivating in solitude or otherwise without the visible presence of relatedness, according to Ryan and Deci (2017) it seems that the relational environment of for example working teams, affects performance.

### **2.3 Relatedness, belonging and a suitable leadership style for their emergence**

Out of these three basic psychological needs the need for relatedness is of particular interest in this thesis because, as will be evident further in this section of the literature review, in order to be ideally supported through leadership, it requires genuine, fully volitionally chosen, personal, non-instrumental involvement, attention and care from the leader. Therefore, it essentially requires the leader to involve their personal self into their professional role. In this section the nature of belonging, relatedness-supportive relationships, their emergence and effects in work context, as well as a suitable leadership style to enable them, will be discussed.

### 2.3.1 Belonging research

Given the essential role relatedness has in contextualizing the environment where all of the three basic psychological needs are met, it is important to better understand its foundational aspect, belonging. Belonging is a fundamental human need (Allen et al., 2022) and motivation (Baumeister & Leary, 1995). It has been researched across multiple fields (mainly in school settings) and therefore lacks, similarly to leadership, a coherent definition. However, some commonalities can be found from the different contexts in and disciplines through which it has been studied (Allen et al., 2021). Belonging can be defined as an experience of acceptance, respect, inclusion and support (Goodenow & Grady 1993). It is characterized with a nature of stability and continuity, as well as frequent interactions (Baumeister & Leary, 1995).

Belonging can be seen as state-belonging, which is situational, or as trait-belonging which is a core psychological need. According to research trait-belonging seems more fundamental to mental health, and the stress-causing effects related to experiencing belonging are more imperative to people from groups outside the social norms. The differentiation between state and trait-belonging makes it difficult to measure belonging, and has resulted in different disciplines having their own measures for it (Allen et al., 2021).

Despite of this some common aspects can be found in the ways belonging is viewed across different social scientific fields. A sense of belonging depends on how an individual perceives their connection to a place or a group, as well as on opportunities for interaction. Some other aspects of belonging in the scales and measures used are the motivation to connect with others or a group, as well as one's ability (i.e. social skills) to do so. A sense of belonging has proved its conceptual prominence through being used as an independent, correlated and dependent variable in various contexts (Allen et al., 2021).

Greater belonging produces greater psychosocial wellbeing, including outcomes such as academic achievement and professional success. On the other hand, lack of belonging produces, in addition to loneliness, a greater risk related to mental and physical health, including outcomes such as early mortality and antisocial behavior (Allen et al., 2021). Allen et al. (2021) suggest an integrative framework for conceptualizing the measures in belonging research. According to them belonging is “a dynamic feeling and experience that emerges from four interrelated components that arise from and are supported by the systems in which individuals reside.” These components are: opportunities and motivations to belong; and competencies for and perceptions of belonging (p. 91).

The practical starting point of creating belonging in any context is ensuring the community's awareness of the importance and possibilities of belonging (Allen et al., 2021). Some ways in which relatedness can be supported in the workplace are regular high-quality interactions between supervisors and

employees, in which support as well as reciprocal trust and respect are present; as well as encouragement and validation of employees' emotions by supervisors (Manganelli et al., 2018). In addition, these interactions should, to fully satisfy the need for belonging, include a bond of caring. Without positive concern and caring even frequent interactions in an ongoing relationship leave the parties lacking in satisfaction (Baumeister & Leary, 1995).

To understand the nuances of belonging emergence and its benefits in the context of SDT's basic psychological need for relatedness, we now turn to a sub-theory of SDT.

### **2.3.2 Relationships Motivation Theory**

According to Relationships Motivation Theory (RMT), like SDT, the need for relatedness is an essential psychological basic need for full functioning. It is fulfilled in (close) relationships which are experienced as autonomy supportive and autonomously motivated, meaning that the subject of connection is acting out of their full willingness. In addition to satisfying the need for relatedness, receiving autonomy support in a relationship produces transparency, nondefensiveness and authenticity. Interestingly, the positive effects to the wellbeing of the giver of autonomy support are even more beneficial than its positive effects to the receiver's wellbeing. Hence, being autonomy supportive in relationships is fulfilling both the receiver's and the giver's both needs of autonomy and relatedness. Therefore, in relatedness the act of giving, which indicates a loss (of what is being given), can, paradoxically, result in enhanced vitality (Ryan & Deci, 2017).

The satisfaction of the need for relatedness, like the other basic psychological needs as well, can be either supported or thwarted. In order for relatedness satisfaction to be experienced in relationships, as objects of connection people need to sense that they are not a means to an end; the care they receive is genuine, unselfish and fully self-imposed; and that their perspective is respected. In addition, in order for the need for relatedness to be satisfied in a relationship, a sense of autonomy for the connection needs to be present (Ryan & Deci, 2017).

There is a well-established understanding about the crucial importance of relationships to the full functioning of people, among scholars in the field of psychology. However, not all relationships satisfy the need for relatedness. While superficial encounters with strangers rarely produce such satisfaction, and usually relationships with family members are experienced as satisfying, sometimes it is not so. The acquaintance proximity of the relational parties is not what determines the satisfaction level of the relationship, but the experienced acceptance and support in it. Hence, in some cases a brief discussion with a stranger can satisfy the need for relatedness better than being with family members. What is specifically important in this acceptance and support is that they need to feel authentic and unconditional to the receiver,

in order to be need-satisfying. The highest quality personal relationships are those which support both the needs for autonomy and relatedness, whereas many seemingly good actions (for example objectifying admiration) produce inauthenticity and other outcomes of need frustration (Ryan & Deci, 2017).

While relationships do produce extrinsic benefits, in order for them to be need-satisfying they need to be formed out of intrinsic motives. The connection needs to be chosen by both parties autonomously. This is evident through acts of caring, which are a display of full volition towards the other. Sensing this of the other party in a relationship enhances ones feeling of being loved (Ryan & Deci, 2017). Ryan and Deci (2017) describe relatedness as follows: “relatedness is the intrinsically satisfying experience of being connected and mattering to another person or group” (p. 297). The frustration of this need is connected to psychological distress and pain (Ryan & Deci, 2017).

Interestingly, if a relationship is autonomy-supportive it is likely that the other two basic psychological needs (competence and relatedness) are also satisfied in the relationship. If this double-need satisfaction happens to the receiving party of an autonomy-supportive relationship, the support giver tends to be more engaged in the relationship and feel more supported by the other party, than in lower quality relationships. Here one can see the reciprocal benefits of investing autonomy support into a relationship. In addition, autonomy-supportive relationships enable authentic emotional reliance, which leads to greater wellness. If the supportive party is perceived to be authentic in their support, close others are able to be authentic and do not need to conceal parts of themselves. Lack of transparency in relationships emerges from the frustration of the need for autonomy, and results in lack of satisfaction and commitment (Ryan & Deci, 2017).

### **2.3.3 The emergence and effects of belonging and relatedness in the workplace**

To explain more specifics of how the quality of close relationships affects their wellbeing outcomes, for example in the workplace, Ronen and Mikulincer (2014) have combined the basic psychological need theory with attachment theory. According to attachment theory secure attachment occurs when the subject of care in a relationship is available and supportive to the other party’s needs, such as personal growth and autonomy. Ronen and Mikulincer (2014) utilize Bowlby’s (1973) term Secure Base, to describe such workplace relationships that support the receiving party’s basic psychological need satisfaction, and result in supporting their autonomous motivation at work. In their theory they distinguish between Secure Work Base and Secure Home Base, from which here the focus is on the former. They describe Secure base as follows: “Secure base refers to the support of a person’s goal striving, exploration, and personal growth, and the provision of a dependable base from which he or she can engage with nonattachment activities, take

risks and challenges, and autonomously pursue his or her goals, while feeling confident that he or she can return to this base in times of need.” (p.113). While the basic idea in their theorizing is that secure attachment at home results in autonomous motivation outside of those close home base relationships (for example in work contexts), it also implies that certain considerations and actions in the workplace are able to enable autonomous motivation of employees (Ronen & Mikulincer, 2014).

In contrast to securely attached people, anxiously attached people are more concerned with gaining approval and finding safety, than curiosity for novel ways of working and personal growth [i.e. creativity]. There are, however considerations that can be made in the workplace in order to support the security of all employees, to further their satisfaction and effectiveness at work. Ronen and Mikulincer (2014), define such Secure Work Bases as conditions in which the experience of security forms out of interacting with a member of the work organization who is “(1) being available to fulfill a person’s need in comfort and assistance, (2) encouraging a person to pursue his or her personal goals, and (3) not interfering with a person’s initiatives and activities.” (p. 118). These three activities support the basic psychological needs of employees, thus enabling their autonomous motivation (Ronen & Mikulincer, 2014).

In addition, as the felt security level, which can be experienced within relatedness, affects the exploratory behaviors of employees, Ronen and Mikulincer (2014) mention certain activities that support their emergence through relatedness in work places. These are enjoying activities together with others; having meaningful conversations with them; and being understood by them. In addition, they mention the prosocial behavior (e.g. need-support, mentoring/coaching and listening) of supervisors as one possible factor affecting the relatedness employees experience in workplaces.

An example of relatedness-related intrinsic motivation for accomplishing tasks, including effects such as greater interest, better performance and longer persistence, was found by Carr and Walton (2014). In their experiments they gave participants cues that they were working together with others on the assigned task, and found that when participants thought they were collaborating with others, their intrinsic motivation for the task arose.

In addition to such beneficial performance outcomes, relatedness support in work places enables employees’ internalization of the kind of values and tasks which would otherwise not be intrinsically motivating. Hence, finally, supporting employees’ need for relatedness enables their controlled motivation to transform into autonomous motivation on the continuum from amotivation to intrinsic motivation – for them to operate at work autonomously motivated, and therefore with more wellbeing and full-functioning, than without relatedness support.

#### **2.3.4 Internalization of the values and goals of different environments through relatedness**

Internalization is the process with which a person is able to access their intrinsic motivation regarding values or practices present in their surroundings, but not otherwise intrinsically motivating to them. These are for example family values exemplified by parents to children, or the goals of a workplace exemplified by leaders to employees. The need for relatedness enables effective internalization as it makes people thrive to feel a sense of belonging and participation, which can be achieved also by internalizing external values or practices of a shared context (Ryan & Deci, 2017). However, an example of what happens when a person does not feel related to the people exemplifying a set of values to them, can be found in children: according to Ryan and Deci (2017) children who do not feel attached to their caregivers, who's values they would otherwise internalize, will find other values to internalize from sources such as peers or subcultures, that they feel, or would like to be, attached to. Internalization results in integration, in which otherwise only externally motivating conditions become ones "own" in ways that allow the presence of intrinsic motivation and hence, its benefits to occur (Ryan & Deci, 2017).

For internalization of extrinsic motivations to happen, all of the basic psychological needs, autonomy, competence and relatedness, need support. Relatedness is of first importance there, enabling internalization to happen at all, because a willingness to connect with others naturally affects the willingness to internalize what is observed of their values or behaviors. The need for relatedness can be so strong, that, in order to have it satisfied, people can be inclined to overlook their need for autonomy in the process of internalization, and hence, "abandon" themselves for belonging. However, as autonomy is a central need for intrinsic motivation to occur, this way internalization becomes only partial (Ryan & Deci, 2017).

#### **2.3.5 Suitable leadership style for relatedness support: Servant leadership**

Multiple such leadership styles have been found in non-cohesive field of leadership studies, in which the relationship between the leader and the member of an organization is at the focus of leadership, for example Leader member exchange (Graen & Uhl-Bien, 1995) and Relational leadership (Cunliffe & Eriksen, 2011). These relationship based theories focus on micro level organizational actions: the individual, personal relationships between leaders and the members of their circle of influence. They see notable value in the uniqueness of each relationship formed, the details of interactions in them as well as their collaborative and possibly informal nature (Graen & Uhl-Bien, 1995; Cunliffe & Eriksen, 2011). However, even more suitably than these, there is one leadership style which seems to deeply and efficiently cover positive

influence for the different aspects of relatedness and belonging emergence mentioned in this literature review: Servant leadership.

In the servant leadership theory the main source of the leader's influence is in the act of surrendering themselves into the service of others. There is a heightened emphasis on the leader's humility, as well as the "follower's" well-being and growth as the main goal of leadership (van Dierendonck, 2011). The theory is characterized by one particular quality of the leaders it focuses on: combined with their motivation in leading, they experience a need to serve others (van Dierendonck, 2011). The goal of leadership within the paradigm of this leadership theory is to empower and develop people. Van Dierendonck (2011) has defined six key characteristics of servant leadership, of which four are highlighted here, to reflect the specifically relatedness-supportive characteristics of this leadership style: 1. Empowering and developing people, which, according to Van Dierendonck (2011) means "a motivational concept focused on enabling people" in which "empowerment aims at fostering a proactive, self-confident attitude among followers and gives them a sense of personal power"; 2. Authenticity, as an expression of one's true self, according to what one thinks and feels within: "Authenticity is about being true to oneself, accurately representing—privately and publicly—internal states, intentions, and commitments"; 3. Interpersonal acceptance, as "the ability to understand and experience the feelings of others and where people are coming from"; and 4. Stewardship, as "the willingness to take responsibility for the larger institution and to go for service instead of control and self-interest", including caring for people, and acting as role models for them (van Dierendonck, 2011).

### **2.3.6 What is still missing?**

While SDT, relatedness, belonging and innovation related leadership are already widely researched topics, a deeper understanding of the practical implications of their theoretical integration is still needed. Allen et al. (2021) are calling for further research on strategies of how belonging can practically be supported in different contexts. The reviewed literature, while widely descriptive of the phenomenon of relatedness support and the related concept of belonging, as well as rigorous in its empirical reliability, lacks in demonstrating practical ways in which relatedness can be supported, especially in entrepreneurial contexts in a Nordic setting like Finland. Given the importance of relatedness support for the emergence of individual level creativity (Ryan & Deci, 2017) – crucial for organizational innovation (Hughes et al., 2018) – practical understanding of it in innovative contexts is needed in order to effectively utilize leadership for innovation emergence.

Furthermore, recent work by Shao et al. (2022) focused on leaders' own relatedness need fulfillment and associations to their creativity. They suggest that future studies could aim for new perspectives on types of leaders' relatedness supporting actions which could be interpreted as positive leadership behaviors. Shifting the locus of outcomes from the leader to their employees, this thesis is focusing on agency based, imprinted actions of the leader, which support others. Stremersch et al. (2022) have recently shown how the support of employees' self-determination and the company's leadership style is linked to the emergence of grassroots innovation initiatives. Still, they are calling for further research of the preconditions of innovation, that link leadership style with the positive effects of self-determination. In this study, this is done from an entrepreneurial leaders' perspective, itself highly reliant on agency, and focused on positively influencing the wellbeing and output of employees. Similarly, already in 2009, Grant and Parker encouraged for further exploration on relationality as a part of job design for proactivity; and Anderson et al. (2014) on "the effects of leadership style and behavior upon creativity and innovation in the workplace" as well as perspectives to a question: "How can a CEO or board of directors most effectively influence organization strategy and culture to facilitate innovativeness?".

In addition, the reviewed leadership frameworks suitable for pursuing innovation (Entrepreneurial leadership) and relatedness support (Servant leadership) are mostly descriptive of a certain kind of a leader with certain kind of behavioral habits. Therefore, a question regarding the nature of leadership itself, and not the leader, for innovative contexts, remains: How can the broad theoretical knowledge about SDT, including strategies of supporting relatedness among other basic psychological needs, be utilized in the leadership of organizational innovation? Moreover, the concern of the critical and social constructionist school of leadership research (Smircich & Morgan, 1982; Meindl, Ehrlich & Dukerich, 1985; Gemmill & Oakley, 1992; Fairhurst & Grant, 2010) about the actualization of the potential and agency of people in organizational settings, underlines the benefits of framing leadership in a way which is not focused on the personal qualities of the leader, but rather what the employees need in order to fully function in their humanity and agency. The kind of focus in framing leadership for innovation, which would allow also for spontaneous, contextual or temporary leadership to emerge, as a skillset which can be learned and utilized by anyone, rather than a set of personal traits or fixed behavioral patterns by an extraordinary leader, is still needed.

### **3 Methodology**

The topic of the empirical research of this thesis is the relatedness supportive strategies expressed by Founder-CEO's in innovative organizations in Finland. It aims to understand how these leaders of growing technology companies lead innovation in their organizations through leading people. The objective of this research is to understand the mindsets and practices of these Founder-CEO's regarding leadership of people within their organizations, and specifically the ways in which they support the basic psychological need of relatedness of their employees.

#### **3.1 Research approach and strategy**

This research was conducted by following the general qualitative tradition of grounded theory. Reflecting the main principle of grounded theory, there was no theoretical framework this study was built on, but rather, its theoretical framework was found through the collected data (Cassell & Symon, 2004). Following the tradition of grounded theory this research also relied on an inductive approach by building a theory of relatedness supportive views and behaviors in a certain context from a relatively small set of qualitative data (8 interviews). In addition semi-structured interviews were used as a data collection method. They enable the participants, in a relatively free manner, to share their topical insights, reflecting also on current relevant events related to the topics at focus (Gioia et al., 2013).

In order to recognize relevant patterns of meaning from the data, another qualitative research tradition followed in this research's design was thematic analysis. With thematic analysis the separate interviews of this research could be seen as a unified whole, understood as a pool of information, from which meanings were distinguished by focusing to answer the research question. Significant patterns of meaning were found both from the explicit statements of the participants, as well as through the overall contextual understanding of the data (Braun & Clarke, 2012).

The context of this research was technology startup and scaleup companies in Finland. The data was collected via interviews with the Founder-CEO's of these companies. This kind of context and this kind of data ensured suitable findings for the present study for two reasons. First, the research has a basic assumption that Finland and startups/scaleups are a suitable context for understanding the relational aspect of leading innovation, because they are known to have relatively non-hierarchical working cultures (Vaara et al., 2021) which allow for proximity between managers and employees. This kind of proximity enables the leaders to build relationships and support their

employees' needs. The second underlying assumption for this research is that the founder-CEO's are, through founding the company, personally attached to it; and through being the highest executive and in the most powerful position of the company, both motivated and able to through agency and imprinting (Beckert, 1999; Simsek et al., 2015), build and sustain relatedness support for their employees. The qualitative data for this research was collected through semi-structured interviews, conducted remotely and in person.

### **3.2 Research Design**

Multiple theoretical concepts are considered in this thesis research: leadership, creativity, innovation, intrinsic/autonomous motivation, belonging and especially the basic psychological need of relatedness. The broad interest of this study is to better understand the preconditions of sustainable innovation within organizations. As innovation requires employee creativity (Hughes et al., 2018), and employee creativity intrinsic motivation through wellbeing (Ryan & Deci, 2017), to understand how creativity emergence can be supported in organizational contexts, this study explores the ways in which the wellbeing and hence, intrinsic motivation of employees can be supported. The specific interest of the study is the ways in which entrepreneurial leaders can, directly through their agency (Beckert, 1999), as well as embedded in organizational norms through imprinting (Simsek et al., 2015), support the basic psychological need of relatedness of their employees.

As technology startups and scaleups can be seen as innovative by nature, they form a suitable context for discovering deep perspectives regarding the leadership of innovation. As the occupants of the powerful dual roles of an entrepreneur and the highest executive in the company, the founder-CEO's of these startups and scaleups can be seen as those whose actions and decisions have the most impact to the employees of these companies. Hence, interviewing them was an interesting avenue through which to broaden the understanding of the ways of relatedness-support for innovation occurrence in organizations.

The data of this research was collected by interviewing eight Founder-CEO's of Finnish technology startups and scaleups. The participants' companies were found through the researcher's tacit knowledge of interesting technology companies in Finland; an online search of ones which were formerly unfamiliar for her; as well as posting an advertisement on her LinkedIn page. After listing the companies known to have an identity of innovation and a founder still as the CEO, an online search was conducted of interesting technology startups and scaleups in Finland, which had grown their revenues during the last 1-2 years. Here the growth of revenue was assumed to indicate sufficient success for the company to be worth including into this study. After

this the advertisement of the research was posted on the researcher's LinkedIn page. Altogether 15 Founder-CEO's were contacted via email. Of these eight participants responded with agreement, and interviews with them were conducted during Winter-Spring of 2022. At the time of the interview one Founder-participant had recently left their other role as the CEO, but answered the questions from their recent, past experience.

The data was collected through semi-structured interviews, by choosing suitable questions from a set of topical questions (see appendix 1). The interviews were conducted both via video calls (5), as well as in-person meetings (3). The interviews were from 45 minutes to 1,5 hours long. One of them was separated into two sessions on consecutive days because the participant was not able to be interviewed the whole length of the agreed time. With the permission of the participants the interviews were recorded. The recordings were then transcribed with the help of Microsoft Word. Seven of the interviews were conducted in English, and one in Finnish. The Finnish transcription was analyzed in Finnish, and only the quotes visible in this thesis translated into English.

### **3.3 Data Analysis**

To comprehend the Founder-CEO's' leadership of innovation in their companies, the questions asked in the interviews covered multiple different topics, through which they were asked to describe their leadership – especially focusing on their closest employees, the ones in their immediate team or under their direct leadership influence. After transcribing the interviews, thematic analysis (Braun & Clarke, 2012) was used to code the transcriptions with Atlas-software. New codes were created until all new information emerging from the text would fit under an existing thematic code. Out of eight interviews 90 different codes was formed.

After the coding of the interviews, it was found that most of the actions or views the Founder-CEO's were describing could be seen as related to the categories of Self-Determination Theory's (SDT) basic psychological needs: autonomy, competence and relatedness (Ryan & Deci, 2017). Hence, in the spirit of grounded theory an existing theoretical framework emerged from the data (Gioia et al., 2013). The data-analysis was then proceeded by the grouping of the existing codes according to which of the three basic psychological needs of SDT the actions or views they represented would support. This was first done by the using of Miro to form a Venn diagram. The need to form a Venn diagram emerged after an attempt to place some codes into only one of the three categories. A realization occurred that there were multiple codes which were indicating the support of two, or even in many cases, all of the three basic psychological needs. After the allocation of all of the codes

into the diagram, they were then organized with Atlas according to the seven groups that emerged through the Venn diagram: Autonomy; Autonomy-Competence; Competence; Competence-Relatedness; Relatedness; and Autonomy-Competence-Relatedness. In addition it was found that some codes fitted into an extra-category, Benevolence, which has been suggested, but not accepted (Martela & Ryan, 2020) as an additional basic psychological need.

Compared to autonomy and competence, it seemed to the researcher that relatedness support had been underrepresented as a focus of research in the context of innovation in technology startups and scaleups. Hence, it was found as relevant to narrow down the focus of this study to relatedness support only. Next the data-analysis continued by the reviewing of the codes in the groups of relatedness, competence-relatedness and autonomy-competence-relatedness, and the recoding of the relevant quotes within these codes according to how they relate to relatedness-support. These new codes then represented the second order themes (p.21, Gioia et al., 2013) as an outcome of this research: Founder-CEO's' strategies related to the support of their employees' basic psychological need of relatedness in the context of Finnish technology startups and scaleups. In addition, out of these findings a data structure was formed (see appendices 2-5), including "aggregate dimensions" emerging from the second order themes, to display the underlying thematic categories of these strategies (p.21, Gioia et al., 2013). According to Gioia et al. (p.20, 2013) a data structure like this proves conscientiousness in qualitative research.

### **3.4 Validity and Reliability**

There are potential weaknesses connected to the samples and the gathering process of the information used for this study. First, in the interviews, through which the data samples of the present study were collected, the questions presented were regarding different assumed aspects of innovation leadership, but not about relatedness specifically. Hence, it is possible that valuable information regarding the relatedness supportive practices and views of the participants was left undiscovered. Second, if the narrow focus of this research, which emerged from the data (relatedness support), would have been known in the phase of finding participants, an attempt could have been made to find companies specifically known for either great relatedness support or a significant lack of it. This, as well, could have given a more elaborate picture of the state of relatedness support in Finnish technology companies. Finally, as there is only one researcher conducting this study, there is no "devil's advocate" (p.19, Gioia et al., 2013) to challenge the naturally occurring interpretations of the participant's quotes. It is possible that even the most carefully considered interpretations might read some views or actions of the participants as relatedness supportive, when in reality they might not be.

For the sake of the limited scope of this study, the first two weaknesses need to be left for further studies to resolve. At the end of this thesis there will be recommendations for future avenues of investigation to further understand the phenomena at focus. The theoretical stance of the researcher regarding the interviews is “interview-as-technique-for-getting-data” (Alvesson, 2003), despite Alvesson’s (2003) critique of such approach not necessarily leading to an epistemologically reliable study. This perspective is justified through additionally adopting somewhat of a postmodern understanding regarding interviewing, as described by Roulston (2010), for whom the “underlying assumption is that representations of findings are always partial, arbitrary, and situated, rather than unitary, final, and holistic.” In addition, while the interpretation of quotes has been left to the researcher, she has asked for approval of the final quotes which ended up as a part of this thesis, from the interviewees, to ensure that what was said in the interviews has not been lost in transcription, excerpts or in one case, translation.

## 4 Findings

In order for relatedness (the feeling of being reciprocally loved and cared for (Van den Broeck et al., 2016)), to be effectively supported such relationships which are autonomy-supportive, authentic, autonomously participated in, respective of each other's perspective's and non-instrumental, are required (Ryan & Deci, 2017). Whereas belonging, as an essential part of relatedness, refers to being accepted, respected, included and supported (Goodenow & Grady 1993), as well as to relational characteristics such as stability, continuity, frequent interactions and a bond of caring (Baumeister & Leary, 1995). In addition, support for relatedness between supervisors and employees emerges from supportive relationships with reciprocal trust and respect, as well as encouragement and validation of employees' emotions (Manganelli et al., 2018). Considering these qualities, this chapter presents the empirical findings of this study through the description and analysis of the views of eight founder-CEO informants. The ways in which they and their organizations think about and act regarding relatedness to their employees and team members will be presented in four subchapters: The internal world of the leader; The personal actions of the leader; Ideas embedded in the organization; and Actions embedded in the organization.

The first subchapter, The internal world of the leader, describes the kind of attitudes and beliefs the informants have, which are interpreted here as the personal, invisible preconditions for any visible relatedness support. These mindsets and beliefs, the first three strategies identified from the data, are considered here as the foundation for any actionable strategies for relatedness support, because in order to successfully support relatedness, the supporter needs to have autonomous and genuine willingness to provide relatedness support (Ryan & Deci, 2017) – which is here seen as a product of the informants' "internal world", their mental stance. Simultaneously, this kind of willingness also includes the leader's personal self into their leadership role, as effective relatedness support requires non-instrumental participation from the supporter (Ryan & Deci, 2017). This indicates that instrumental, role-oriented support is insufficient, and hence the personal preferences and mindsets of the leader matter. The subchapter delves in detail first into the ways the informants view their employees in a pro-social manner, and how they want good for them; second, into how they view them as people first and not simply as actors in their professional role; and third, into how they are open and intentional towards their employees.

Next, the second subchapter describes in detail the ways in which the informants reported about their behavior regarding their employees. These actions are distinguished from subchapter 4.4 as actions where the leader is the subject initiating the relatedness supportive actions towards individuals or in

general the whole company. Here the strategies analysed in detail through quotes from the data are related to the ways the interviewees meet with their employees; how they interact with and know them personally; how they have frequent, open and supportive conversations with their employees; as well as integrity in their actions.

The third subchapter, Ideas embedded in the organization, presents common ways of thinking in the informants' organizations which are interpreted here as supportive of employees' need for relatedness. These are viewed here as the informants' strategies for relatedness support, even though the subject of them is the whole organization, because of the leader's power over collective organizational thinking. Through imprinting some of their own thinking is imprinted as part of the way their organization thinks collectively (Simsek et al., 2015) and as the highest executives they are able to allow or promote certain views in their organizations. In addition, while the collective thinking of an organization can enable the formation of an environment in which the leader and the employees are able to have high quality relatedness supportive relationships, such environments can also support the formation of high quality relationships between employees as well. This way the relatedness support a Founder-CEO is able to provide for their employees is not restricted on the level of the leader's one-on-one relationships with them, but reaches the level of employees' other relationships through enabling an ideal environment for them. The strategies presented in this subchapter are related to equality in perception of and interactions between employees and leaders; working as a team; and having transparent and caring organizational practices.

Finally, the subchapter 4.4 elaborates on the collective behaviour of the informants' organizations. Similarly to the previous subchapter, the strategies in this chapter are here considered, while collectively displayed by the whole organization, as relatedness supportive strategies of the leaders, again because of the relative power they have over what happens and what doesn't happen within their organizations, as well as the mechanism of imprinting. The relatedness supportive strategies presented through detailed descriptions in the subchapter Actions embedded in the organization refer to a conversational culture of receptiveness, approval and directness; building teams intentionally; practices for spending time with co-workers; and trust-enabling practices of financial fairness.

#### **4.1 The internal world of the leader**

When talking about their leadership views and relationships with their employees, many of the founder-CEO's described certain attitudes and beliefs viewed here as foundational for supporting their employees' need for

relatedness. In this section three assumably relatedness-affecting aspects of the leaders' internal world are presented: Altruistic perception of and intentions towards employees; Appreciation of employees as individuals beyond professional role; and Openness and intentional presence for employees.

#### **4.1.1 Altruistic perception of and intentions towards employees**

One significant attitude detected from some informants' descriptions was twofold. On the one hand they viewed employees as worthy- and needing of care in the workplace, and on the other hand themselves as responsible for ensuring that they receive such care. One interviewee described their role as one of a servant, responsible for enabling an ideal environment for work:

*"... [when a suitable one was found] the laptop was immediately ordered and I personally delivered it to their home. Maybe it's one of those recent actions, but it doesn't have to [always] be like [acting as a] servant, but like I said, my task is to ensure that everyone has a comfortable and good working environment so that you feel good, through which results follow."* – Interviewee 7

Another interviewee viewed employees on the one hand as resources, but on another as eligible for similar caring treatment as the close people in the interviewees' personal life:

*"If you take the resource point of view that you have these super resources, you have to take care of them so that they can really do what they're hired to do ... but then again it doesn't really differ from your personal relationships in your life outside work ... you take care of your friends or your family or so, so it's just the same way of treating people in a work life context"* – Interviewee 5

As is visible in these quotes, the informants here tie their employees' ability to fulfil their purpose in their work, to the leaders' ability to care for them. Both of these informants seem to have a belief that either by acting as a servant (inclination to put the needs of the other above one's own) or by including the care for employees in a similar category in ones thinking than the care for one's family or friends, they are doing their part. If care in the work context would be completely instrumental for them, a such personal involvement from the founder-CEO's would not be necessary.

Another way in which altruism was found in a leader's perspective of their employees, was an empathetic and understanding attitude towards negatively behaving people. This is visible in the way one informant described situations where employees either behaved or talked in a way that affected the

working environment or inter-personal moments of communication, negatively. The interviewee talked about birds of ill omen in the workplace as follows:

*“... they themselves didn't do anything wrong to feel that way. It's because of something. It could be something that happens at home sometimes. Often it comes from the fact that the task at hand isn't what motivates you, because everyone has their own worries and troubles” – Interviewee 7*

Here a thought pattern that a person's negative behavior is a cause effect of something negative happening to them, and not primarily their intention, can be detected. The ability and willingness to read a negative situation caused by an employee through understanding, not accusation, and looking at their assumed personal situation from their perspective, speaks of empathy. The other empathy-related altruistic strategy found from the data was an assumption of positive intent in both interpreting an employees' communication as well as extending trust. An interviewee described this as follows:

*“... assuming positive intent. That's something I want to communicate to all of our ... [employees] ... People quite often when you say something ... it's easy for me [to] start to think what you actually mean and ... make this sort of negative stuff up. You'll live a much happier life when you always assume positive intent ... and most times people have positive intent, they just suck at communication ... Trust people by default. I've very naively trusted people throughout my career in ... [the company]. Yes, every second year somebody screws me up. But 99% of people don't do that. So if you just blindly trust people, assume positive intent, then 99% of the case[s] you end up [in a] positive [outcome]. Yes you get screwed every second year, but so what. So, you cannot build leadership system based on the worst performing assholes, you need to build the leadership system to match the vast majority of people who are good and then you manage the exceptions in a different way, that's how you create a better organization” – Interviewee 6*

Here the assumption that majority of people are well intended individuals helps the informant to trust them. This personal view is then extended into building a leadership system, which then enables the creation of an improved organization. Altruism can be found here from both the radically optimistic premise of peoples' nature, as well as the fact that in order to be able to gift trust to employees, the interviewee is willing to get betrayed every once in a while.

Finally, altruistic intentions towards and perception of employees can be seen in the data in the way some informants describe their attitude regarding their employees' work efforts. One informant described their encouraging faith for their employees' abilities:

*“yes I’m expecting a lot from our group's development, all that they do, but it’s like in a good way ... like go for it, I trust and believe in you! like highlighting [their] strengths, talking about them ... you need to celebrate successes and forget about those moments where things could have been done better..”* – Interviewee 7

Here the informant also shares how a focus to success rather than failures is included in their stance on individual performance. Another informant describes their views on employee failure as follows:

*“I have meetings, we talk about stuff that matters ... I want to be sure that since we have this zero asshole policy, it doesn't matter if things go wrong as long as you are not a dick ... Which means that in any meeting I need to come in and clean up something or present something I always trust that [a] person employed by ... [the company] is there to do their best. Then sometimes it just doesn't become good enough or good, but then we take a step back and look what it is. So I try to support in that way..”* – Interviewee 4

For this informant a personal conduct of not being “a dick” is more important than failed work. They have a default trust in each member their company has employed and a willingness to support the failed individual through reviewing the situation together with them.

#### **4.1.2 Appreciation of employees as individuals beyond professional role**

Another aspect of the relatedness-enhancing, internal inclinations of the informants was to view and appreciate employees as unique individuals who have, and are expected to bring to the workplace their selves beyond their professional role. This is evident for example in one informant's philosophy regarding their employees. It entails respect for their employees' employment's temporality, as well as willingness to contribute to their future after they leave the company:

*“in general, it's like I have this philosophy that because we have really good people on board ... We are renting them for some time, I don't know how long is that time, it can be one year or ten years, but they are only on rent and then they will do something else. So I will.. as a*

*company we will try to take most out of them during that time. But also, we hope that when they leave our company they will get something much better and much more interesting than they would ... [by] spending that same time in some other company.” – Interviewee 5*

This kind of employment philosophy shows certain humility in terms of employees’ worth and autonomy. Highlighting the fact that the company doesn’t own its employees, and that they are expected to, at some point move forward to work for another company, can be seen as acknowledgement of their power and value. This kind of holistically realistic view of employees as people with lives beyond their professional role at the informants’ companies can be seen likely to build a foundation of mutual trust and respect for the relationship between the employer and the employees. This can then create empowering boundaries for expectations (for example about how important the company is for the employee), in order to prevent unnecessary conflict.

Touching on the previous topic of enabling a better future for employees while working for their current employer, another way to appreciate employees as individuals is to care about their professional development. This is visible in the way another interviewee described their awareness of employees’ areas of personal expertise:

*“I always try to understand as well as possible with the people ... what are their weaknesses and what are their strengths and then really draft the tasks and things for the people [in a way] that they would be acting on their strength area, and then always stretching people a little bit on that weaknesses area [at the] same time, so that it is possible for people to grow, which is extremely important. Because if you only ... [give them work] that they are good at then they will never actually learn new stuff ... [which] is important.” – Interviewee 3*

Here the personal, forward pushing approach of the employer to the professional development of the employees can be seen as a way of showing appreciation and faith in their potential. As this kind of personally tailored perspective on an individual’s career path is likely to require high quality information of the employees’ knowhow, through the process of acquiring the informant can end up supporting their need for relatedness.

Yet another characteristic of the interviewees’ appreciation of their employees’ holistic humanity is their general openness for information about, as well as care for, employees’ personal lives outside of work. Some of them described how a company culture of openness between them and their employees enables, in one case even daily, conversations about the current affairs of

each individual's life. One informant described this kind of awareness as helpful for leadership:

*“Well, I'm of course very interested what's happening in their work, but also their life because it helps you to kind of lead them if you know that ... something nice [is] happening or something bad is happening, relationships, children, whatever. And I think the culture is so that we are very open towards each other.”* – Interviewee 5

Another highlighted the importance of understanding the current state of affairs in their employees' life and truly caring about them:

*“... actually like caring for people and trying to understand ... issues in their personal lives like what ... [is] going on in the personal side of things and really caring about that.”* – Interviewee 8

As is visible in these quotes, some of the interviewees reported interest and care for and awareness of the whole life, and not simply the work, of their employees. Openness and willingness to understand different work-affecting events and issues which are not work-related, signal about an internal embrace of employees as holistic human beings, and not simply employees.

The final aspect of the informants appreciating their employees as individual, holistic beings has to do with protecting a truthful approach to giving recognition. A quote from one interviewee shows how important it is, while perceiving and respecting employees as unique individuals, to simultaneously be realistic regarding performance:

*“you have to have a sense of this kind of respect [for employees' personal differences] and through that comes the care and trust. And handling people [like this] or understanding them is one, and having this respect. And then probably the third level is that everybody should have a clear understanding of the demand and the quality level. It's [an] easy trap to be nice with everybody, and then somebody performs half of it, then somebody performs twice and ... [you] just say “good good” for everybody and then the quality is a mismatch. So you kind of create the feeling of open communication, setting the quality but then equal respect”* – Interviewee 2

Here a distinction between respect and niceness is visible. The way this interviewee described being nice as a trap, but highlighted the necessity of valuing personal differences as a foundation for care and trust, suggests that to gain the outcomes of appreciating employees, more than superficial behavior from the employer is required. This quote shows one way of ensuring that

genuine respect is experienced by employees. By having and communicating clear professional expectations and giving credit according to them, the employer is able to, through a sense of fairness, build credibility as an appreciator. In relation to this, another interviewee mentioned the importance of giving credit where credit is due:

*“and then also like give the glory to the ones who really deserve it and not so much ... [for yourself]. I think that's what I hear happens a lot that people or team do a good job, and then their leaders take the credit”* – Interviewee 5

According to this approach, too, through being truthful about who has done the actual work, the employer can ensure a sense of fairness and being appreciated among employees. Both of these testimonies exemplify a leader's willingness to use their position of power not to advance their own prestige, but to genuinely and publicly appreciate their employees. By doing so support for employees' need for relatedness could be achieved.

#### **4.1.3 Openness and intentional presence for employees**

The final aspect of the internal world of the leader discussed here is the ways in which the informants described their openness and intentional presence for their employees. When discussing their thoughts on leadership, some interviewees described their openness for conversations, even difficult ones. One informant shared a personal struggle to demonstrate the importance of intentionally embracing conflicts:

*“I have this background that I was quite seriously bullied at the school when I was young so my theory is that because of that, I really try to avoid conflict, so whenever I.. especially previously, whenever I saw the potential of conflict, I want to kind of go away ... which of course is super unhelpful as a leader, because then the different difficult things start boiling until the explosion. So for example, one thing that I need to remind myself is that ok, when there is a conflict then probably I should be going to that conflict and really make it visible and try to solve, so what I try to remind myself, it's not a leadership principle, but I try to remind myself that I cannot run away from the conflicts. I need to be there and it's ok if people have notions and they disagree and so forth. That's the one thing I need to constantly push myself towards.”* – Interviewee 6

Here it can be detected that the informant understands how necessary it is for them to be present for their employees even in unpleasant, conflicting situations. The interviewee's awareness of this, as well as their willingness to

unlearn their inclination to avoid conflicts, show that intentionality and openness towards the needs of employees is important to them.

Being available for employees also without conflict or any specific expected input, simply for general support, was another way in which intentionality and openness towards employees was visible in the interview data. One interviewee described this phenomenon as follows:

*“I think it's like listening in being present, when they have like questions or concerns or second thoughts on things. Many times like if I look at successful leaders at ... [the company] and also some of the other entrepreneurs I know, a lot of the times people know what they should do. You know the smart folks already know what they should be doing, but they may have some hesitations on it. They may want somebody else to kind of give them a second opinion on it and very rarely do I tell people that ... they should do something completely different than what they're proposing. So a lot of times it's actually supporting their own decision making.”* – Interviewee 1

What can be seen here is the interviewee's understanding for the importance and sufficient impact of simply being intentionally present for their employees. Interestingly, what the leader offers through this presence is not practical advice or direction, but emotional support for the self-efficacy of the employee.

Another way in which some of the informants described their presence for their employees is undivided attention. One interviewee described how they aim to spend any little time they have with employees, purposefully present:

*“it's not of course possible to ... have close relationship with everyone as the company is already a little bit bigger, but then also like when there is a time with someone, to try to make it meaningful even though it would be two minutes of going to check something, what some intern is doing, to make that two minutes meaningful.”* – Interviewee 3

Another informant described the importance of ensuring a distraction free space when meeting with employees:

*“If I'm having meeting with one of my team members, I want to be there completely and focus, that time is there for that person and that discussion, that I'm not checking my emails, I'm not taking slacks or whatever. I'm there for that moment with that person.”* – Interviewee 6

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Such undivided attention is likely to ensure that the employee with whom the informants interacts with gets to experience being seen and heard, and that they and their work matters. This is foundational for the need of relatedness.

Finally, another foundational way in which some of the informants described their intentionality towards their employees, was “having their back” in the face of failure. One interviewee described their responsibility as a leader when work has not gone as planned:

*“if there's like crises like, even if that's with the client, so then even [to be] willing to take that.. go there and take the hit if that is necessary. There has been few of those not very fun situations but that's what the leader needs to do...”* – Interviewee 3

Another interviewee described the importance of protecting employees from the harmful consequences of the undesired outcomes of taking risks, and how they use their own failures as an example to reduce fear of failure among their employees:

*“... make sure that when the bad things happens we don't, let's say, even accidentally try to punish people verbally or giving the negative feedback. One thing I often hear myself saying is that I made much bigger mistakes, worth of millions that you can ever do in ... [the company] context – don't be afraid and make those mistakes, that so it just makes sense. So yeah, risk taking should be encouraged, because most people are on the side of taking too little risks”* – Interviewee 6

The reassurance of not being punished can build trust between the informants and their employees, as the employees get to experience that they are supported and backed even when they make mistakes or fail in their work. This can support their need for relatedness as they get to experience unconditionality in protection and sufficiency in being themselves, even when their actions or choices led to undesired outcomes.

In this section three assumably relatedness-affecting aspects of the leader’s internal world (beliefs and attitudes) were presented: Altruistic perception of and intentions towards employees; Appreciation of employees as individual, holistic beings; and Openness and intentional presence for employees. Next, four assumably relatedness-affecting personal actions of the leader, found from the data, are examined and analysed.

## **4.2 The personal actions of the leader**

Distinguished from the mentalities and beliefs of the leader discussed in the previous section, when discussing their leadership views and its relational aspect, many of the informants described their behavioral traits and personal actions, viewed here as resulting in their employees' need for relatedness being supported. In this section four assumably relatedness-affecting aspects of the leaders' personal actions are presented: Meeting with employees intentionally; Knowing employees' individual differences and showing personal attention; Open, bold, frequent, receptive and intentional conversations; and Integrity in behavior and altruistic use of resources.

#### **4.2.1 Meeting with employees intentionally**

When discussing their personal relationships with their employees, some of the interviewees described practices of intentionally meeting with their team members outside of work. One informant described their situation as follows:

*“With some people I go to [have] beer sometimes and we just discuss. With some people that doesn't happen, but then it also ... part is the relationship, but partly it's like, one of our VP's has two small kids. He works and he's with family. He doesn't go ... [to have] beer with me even though we might like it, but that's not going to happen ... [another team member] is now in the US – we need to really build these exchanges between each other. It's not going to happen naturally, but today I'm going for a beer with one of the VP's who doesn't have small kids and lives here, so I think it's important to kind of build those moments” – Interviewee 6*

Here an intention can be found to, whenever possible, have relaxed, non-work related time with closest team members. Here the interviewee also mentions how it is important to intentionally build these moments. Another interviewee mentions different kind of intentionality:

*“As I've built a team, many early joiners who might have been reporting to me earlier on are now reporting to somebody else and I'm still, you know, close to those people and I try to, you know, spend time with them, you know, have lunch with them now and then, but I'm trying to be careful not to go into too many details of their actual, you know, work, cause that's something that they need to align on with somebody else in the in the company” – Interviewee 1*

Here the informant sees value in remaining in close contact, whenever possible, with the people who had joined the company early on before the growth that forced them to no longer work under the direct supervision of the informant. Such quality of faithfulness to relationships beyond work functions

can be seen as an action that embeds relatedness-support into the social fabric of the company through the example of the CEO.

#### **4.2.2 Knowing employees' individual differences and showing personal attention**

One behavioral trait found from the data was related to knowing employees' individual situations and preferences and displaying this through personal acknowledgements. One interviewee sees particular importance in knowing how to differentiate their communication style between individuals when talking to them:

*“You need to be able to talk and behave differently with different kind of people ... you need to be able to little bit understand the individual that you talk with. You can't ask the same way ... some people who use rougher language, so you can slam them in the back and [ask] “how are you doing Big Bear today?” and then “what's up?” ... but if you say that to somebody else in the next box in the office they get scared and drop from the chair and you need to go there and [instead ask] “how is life” and you know.. I would say “I have this question, do you have time?” And “I've been wondering that this..” and then you go to the really on the topic because it's a mathematical technical thing and some people just work that way and that is super important ... not to change your way or the level, but the change of communication and style adjusted to the individual level is.. I think it's super important.” – Interviewee 2*

Here the interviewee describes the way they consider their interactions with their employees according to differences in their personalities. Another interviewee highlights the importance of knowing their employees personally, to understand who they are and what they're capable of:

*“And trying to know the strengths and weaknesses of people. Because when you know what.. who they are, how they react, and how they operate and their skill level, so then you know what type of things to give [for them to work on] and not just blindly giving stuff and expecting people to crunch those.” – Interviewee 3*

Here the informant describes the importance of being able to, through knowing the employees personally, allocate the right kind of tasks for them. This refers to appreciating employees as individuals with unique abilities and preferences. The importance of understanding differences between individuals is extended by another informant to cover also the internal needs of employees:

*“you need to really be very alert to differences of people[s] needs and their confidence in their position there.. their tenure in the position, and also how they internally work.. with one of the persons I meet every week with, [I] reminded that he or she is doing great work because he or she needs that sort of positive reinforcement to maintain the courage to be confident” – Interviewee 6*

Here the interviewee is, in addition to being aware of an employee’s personal need of encouragement, also describing how they are meeting this need in a weekly meeting. The personal needs of employees are important also to another interviewee, who describes their reciprocal flexibility considering employees’ personal life situations:

*“peoples life situations are quite different. You know, some with young kids, some don't. Some are.. have other things in their lives that take a lot of their attention, so trying to always be flexible to people. Our executive members have to be quite flexible towards the company so they have to spend a lot of time dealing with, you know whatever is going on in the company, so we as a company need to also try to help them get, you know, through everything in their lives, in a way that doesn't stress them too much.” – Interviewee 1*

An individualized consideration of employees’ life outside of work, like mentioned here, as a response to demands of flexibility from employees towards their job can be seen as a way to build trust through fairness and allowance of other demands of life to be more important than work. In addition to being flexible in demands for performance, offering support when employees’ personal life gets highly demanding is a practice of one interviewee:

*“of course if somebody is having difficulty in their personal life, that's not the point when you start to push them for the business performance, but that's when you ask how you can help them as human beings to survive that specific situation.” - Interviewee 6*

#### **4.2.3 Open, bold, frequent, receptive and intentional conversations**

One way of supporting relatedness evident in the personal leadership practices of the informants was different kinds of frequently occurring high-quality conversations with employees. One of them compared their conversations to coaching:

*“We try to discuss, I think it's more like a coaching approach, not just me and some of my colleagues but also them towards each other so*

*everybody can bring up the ideas on the table, and then we discuss and then usually ... the best way to end is that the person who has some issue or thing he or she is thinking is that he or she comes up with the solution actually themselves after the discussion so we don't.. I really rarely ... say [to] anyone what they should do. It's just.. try to make them, have them figure out themselves” – Interviewee 5*

Here a clear intention to empower the discussion partner’s decision making can be detected from the nature of the discussions described. In addition the notion of not interfering in their decision making speaks of autonomy-supportive relationships between the leader and their employees, which is an essential aspect of relatedness supportive relationships. Another interviewee described the importance of in person meetings and facing difficulties together through discussion:

*“especially now when we are again forming the management team so new people are joining, we need to see face to face. We need to talk about the hard stuff. So that we can, you know, build the trust faster, 'cause I don't have time to lose, time is money. I can't sit here and hope that people aren't shit. We need to know, face the hurdles together, you know have the discussions on what's behind the things and then move forward.” – Interviewee 4*

One informant describes how they want to keep prioritizing time spent listening and talking with their team members as a part of their day to day work schedule:

*“Humility should always be there, like keeping your feet on the ground. We have always talked about it like, if you start floating or something ... you always need to be pulled down so that you don't end up blind or unable to see clearly anymore, having no time for the crew, just running around in meetings. You know I also have a million things to do, meetings to attend, partnerships to consider, and so on. So it's easy to get caught up in just meetings, but I want to make sure that every day I have time to listen and talk with the team.” – Interviewee 7*

Here the interviewee acknowledges the value of connecting with employees even when their schedule would be filled with other responsibilities and describes a common understanding among their team about this order of priorities even in the face of advancements in business. Another interviewee views the conversations had during frequent travelling as remedy for otherwise busy day to day work schedules, lacking in time for bonding:

*“during the work days it's not a lot [of time], like when in the office because it's all about the meetings and so much going on. But then for example, now when traveling more for the work, so those are of course quite meaningful conversation[s] when you actually get to have the full days with these people when you're traveling, so those for sure are important thing[s] from the bonding perspective.” – Interviewee 3*

One informant views listening as a worthy pursuit in conversational situations with their team members:

*“Listening to them more than trying to solve their problems. I think this is what I'm trying to do.” – Interviewee 1*

In addition to listening, another informant describes their view of how intentional presence and availability is the ultimate display of care:

*“I think one of the very concrete things [is] just to be there and be available when things are difficult ... as a leader sort of [an] acid test for the caring [about employees] is that.. just those one on one interactions and if you are present there, if you [are] listening.” – Interviewee 6*

#### **4.2.4 Integrity in behaviour and altruistic use of resources**

One key aspect in relatedness supportive relationships is mutual trust between the relational partners. Many such strategies regarding the practical conduct of the informants were found from the data, which are seen here as enabling the emergence of trust from the employees' side. Specifically, these strategies have to do with the leaders having integrity in their behaviour and using the resources at their reach for the benefit of the employees. One interviewee described their views on the importance of practicing what they preach:

*“Then again, the freedom and responsibility go hand in hand. It's super super important to really be that way, not just in some conference speeches.. Then of course these are kind of.. a mutual respect and trust is very important..” – Interviewee 5*

Another interviewee described a practical way in which they build trust by showing care through concrete work embedded actions:

*“...they said something ... [about] their personal life and then that kind of really sort of builds these bonds and makes them more tight. So I*

*think you need to find the ways and spaces to let that happen sort of as well [in meetings]. It also enables for the fact.. let's say I'm responsible for customers and just some customer resigned, I heard it 15 minutes ago, I come to meeting, probably I'm not the most shiny, productive, excited, but if you provide this opportunity for people to place their feelings in the meeting as well, [for example] come into this meeting with a really bad situation, because they didn't sleep last night, because the kids were awake, and now client resigned and whatever... so it's more concrete actions that sort of gradually build that trust.” – Interviewee 6*

Here a strategy of providing space for emotions in meetings welcomes the employees' humanity into the context of work. Another interviewee described their conviction of not losing their temper and relating to employees with empathy, when failure occurs:

*“I don't believe in shouting ... I never needed to shout at work, never in these ... [amount of years] years. I've been telling that I'm frustrated or disappointed on stuff, but it's all about also trying to always be as fair as possible and understand the background of people and understand them..” – Interviewee 3*

One informant shared how they use their personal connections to provide support for their employees when their own expertise is not sufficient for solutions:

*“In my role of a CEO, so I have experts running our people function or marketing or sales or finance organizations. I cannot claim to be an expert myself in, you know people or marketing or sales or finance, so I [can't] kind of help them on their day-to-day job of ... functional execution, but I can help them in their own way of leading their teams and if there is a, you know a question close to their own domain, I can help them ... find somebody else who's actually done exactly this before and have a conversation with that person. So I have a network of other entrepreneurs and there's people who are a step or two ahead of me or ahead of us and I can ask them questions about how did they solve this thing, and I can connect these people together, and a lot of times people like to talk about what they're doing and they're quite happy to help each other” – Interviewee 1*

Another resource to use for the benefit of employees is the leader's working time:

*“In those situations I give a lot of support, in any sector challenges will arise, and usually, the more work you have, the more pressure you feel, and then to have a rush on top of that.. so then even small setbacks can become really big. So at all times I try to be really vigilant and aware of what's going on, so that when things start getting too busy and the pressure is on, I can bring in extra help without them having to ask for it.” – Interviewee 7*

Here an interviewee describes how in times of pressure and demand they aim to proactively be aware of the employees’ experience so that their need of help would be met even before they request it. Unexpected proactivity through the use of work hours, as well as the use of personal connections for the benefit of employees can also be detected from the way another interviewee responded to a need caused by the beginning of the war in Ukraine:

*“We don't have employees in Ukraine, but we learned very quickly that there's couple of ... [employees] who have their close relatives living in Ukraine that wanted to evacuate from Ukraine to Finland. When I learned that, then I basically used one full working day of mine trying to use different connections that I have ... If you ask, whether it makes business sense, or whether I could use my time from purely business point of view better by just by.. I don't know, calling customers or whatever, probably yes, but I think it is one of our core values and human thing.. right to do, to use your time that way to try to be help..” – Interviewee 6*

### **4.3 Ideas embedded in the organization**

When sharing their leadership views and its relational aspect, many of the interviewees described ideas embedded in their organization, viewed here as resulting in their employees’ relatedness being supported. In this section collectively adopted organizational thinking is presented through four strategies for supporting relatedness: Low hierarchies and openness for conversation, opinions, ideas and need for help; Team mentality; and Transparency and care.

#### **4.3.1 Low hierarchies and openness for conversation, opinions, ideas and need for help**

A significant enabler for relatedness support found from the data was an underlying value for equality and openness in contribution. A deliberate formation of common work in such a way that everyone involved would be able to voice their opinions and concerns, was found in the testimonies of many interviewees:

*“Like I said, the very personal person to person normal people approach.. that has worked really well so it's not about the power dynamics, who's being a superior or who's the CEO, and all that. More like both being in the same level, respect towards each other. That's very important.” – Interviewee 5*

This interviewee highlighted the importance of mutual respect and a personal way of relating to one another without the barriers of role related hierarchies. Another interviewee described their team's intentions of creating such an environment in which even disagreements are welcome:

*“I'd like to believe that there's a high trust in the team. At least try to create an environment where everybody can voice their opinions. Where we can have a debate and we can also agree to disagree in some cases. It's not that there should always be a consensus, we should kind of listen to all views and arguments and then the person or team [in the] best position to make the decision is responsible for the decision. Sometimes, quite seldom, it's myself, but sometimes quite so more often it's the leaders of these teams, or people in different, other teams or so.” – Interviewee 6*

Here also the way decision making happens where the most knowledge about the matter is, speaks of both, low hierarchies in decision making, as well as respect for each other's expertise. About the collective openness for need for help an informant shared the following:

*“The discussion level is open, always reachable, nobody has any difficulties to ask anything, and it's also this.. it's mostly this professional.. helping each other on.. “Hey, somebody knows that, ask him” and then somebody knows that and he could take him on the meeting, or her on the meeting.. and so that kind of an open level it is. Small team.. it needs to be.” – Interviewee 2*

According to this description an active awareness of and responsiveness to the needs of colleagues is especially needed in small teams. Another informant described the way the open and acceptive nature of their company builds trust, which then reinforces further openness:

*“Maybe we founders are in such a way, that It's easy to trust, or we are very open ... [about] our own mistakes or things we do. We don't have any official feedback sessions or anything because we discuss and share stuff every day, face to face. So there.. I think there aren't a lot of hidden stuff ... in our company. A very open culture. We share*

*whatever can be said. ... everyone can be very natural, the personality and the way they are with their pros and cons - so I think that kind of builds the trust” – Interviewee 5*

Here the informant presumes that the openness of the founders about their own mistakes and deeds creates a non-demanding culture of openness where people can be themselves. Finally, one informant describes the open nature of collaboration within their company, in which equality does not mean democracy but that ideas from everyone are encouraged, and biased thinking aimed to be avoided:

*“So ownership and openness go hand in hand, where somebody is the owner of what we are doing. But we strive to work in a very open fashion both internally and externally. We want to encourage and allow participation and contribution from all team members and be always open to new ideas. Openness doesn’t mean that everybody has a vote in things, we do not do voting on anything ever, it means like ... you have a say. You can make a proposal and it should be considered and we try to make sure that we avoid bias as much as possible. Understanding that bias does still exist here, but that you know we should be open by default, and we should be always thinking about you know how can we encourage more contribution and participation from different team members?” – Interviewee 1*

#### **4.3.2 Team mentality**

Another way of organizational thinking found from the data was a common perception of togetherness. One interviewee described this kind of team mentality in their company as follows:

*“..that everyone of us feels like they belong to a big family and when we win, we win together. If we lose, we lose together. It has always been my principle that I have to be sure that no matter what happens, we are all in the same boat.” – Interviewee 7*

Another interviewee told how crunch situations happen in a team:

*“In new installations, something that we do towards customers, then sometimes the time pressure comes in the picture. You have to do long evenings. Then it's always ok to take a break on five o'clock or six o'clock and fetch a pizza ... Then we get the project done and we might sit there for a long time and this type of.. doing it together. Sometimes if interface is the issue, somebody who is in the interface - there is not a team in interface - it's one person doing something, and then we try*

*to.. all will take all the extra work from this person to do somewhere else, and help and at least talk.. to be available and everybody knows that we can't do anything else, but that person needs to fix it. But it's kind of at least thumbs up for [the person doing the work] and then making everything that it's doable and asking that if there is something else needed and.. So it's so much of a teamwork and internal communication, not leaving anybody alone with their trouble.” – Interviewee 2*

Here a certain kind of togetherness and team mentality can be seen from the way the others, who are not responsible for the job needed to get done, are still supporting and present for the one person who is.

### **4.3.3 Transparency and care**

Similarly to the integrity and care shown by leaders through their actions in section 4.2.4, mentalities of transparency and care on an organizational level are seen here as a prerequisite for trust between leaders, as representatives of that organization, and their relational partners, the employees. In addition, the themes of collective transparency and care as common organizational understanding can be seen as trust enabling factors between colleagues as well. One interviewee highlighted the value for clear and transparent communications:

*“..and internal communications is very important part in trying to tackle that kind of things in the company. So It's something that we try to do a lot and be as transparent as possible, so things are not.. kind of ... [don't happen] unexpectedly or surprisingly.. so that kind of transparency and visibility things helps.. and internal communications in general and also talking with them about these internal communication things: what needs to be taken care of or into consideration when announcing something..” – Interviewee 8*

Another interviewee highlighted caring as an important value for their company and justifies it as follows:

*“I think world is also changing, I think in the old world it was thought that group leadership and management is that you put everything to numbers and you treat everything as the numbers, and you read peoples numbers and resources and so. But I think that's bullshit, I think in ... [knowledge] intensive businesses like ... [the company's operating field] it's all about the people. Having the right people and making sure that people have psychological safety, that they can be honest about things, that they have enough autonomy to do that. And one of*

*the key components to achieve that is that we also need to care about each other as human beings. We need to care about customers also as human beings, we need to care about the quality of the work that we do. So we need to care. So instead of trying to say we are mechanical robots who are just functioning because there's an incentive scheme ahead of us, I think that that's not the right way to think about how you lead this kind of company. So caring is one of the values.” – Interviewee 6*

Here the informant describes their views of what is important for a knowledge intensive company and distinguishes managing numbers from providing an ideal environment for people.

#### **4.4 Actions embedded in the organization**

Finally, many of the interviewees described certain actions embedded in their organization, viewed here as resulting in their employees' experiencing relatedness support. In this section four organizational practices for a need supportive environment, are presented: Receptive, direct and non-judgemental conversational culture; Intentional, considerate team building; Routines and practices for meeting together; and Financial fairness.

##### **4.4.1 Receptive, direct and non-judgemental conversational culture**

One key aspect presented in the data related to relatedness support on an organizational level is the kind of conversational culture which allows for straightforward and non-judgemental reciprocal discussions and voice for employees' opinions. An example of such culture was described by an interviewee as follows:

*"In my opinion good indicators for trust include the confidence that things are being told honestly. Here you feel comfortable speaking up if you're not satisfied with something, such as if an assignment doesn't feel quite right and needs to be adjusted, even if it was just decided that it would be done that way." – Interviewee 7*

Here the informant gives a testimony of a company culture where even swift changes in the chosen work assignments are welcomed, and ties this into the emergence of honesty and trust within the company. In another informant's company honesty and transparency are also present in their communications:

*"all the latest new people, like they have been mentioning that ... there's something very special about the culture, why they have been willing*

*to also come to work for ... [the company] is that we are not afraid to talk about the mistakes that we have made and the learnings we have gained through those. That it's very open like that. I got from some of the senior people, mentioning that ... "there was the discussion and you mentioned so many things that what you guys been doing wrong and learning through those at the same time". The results and the projects what we are doing are like extremely, extremely good so it feels type of healthy culture in a way that it's ok to talk about that.. talk about the mistakes and not creating [such] a culture that people would be afraid to try and innovate in creating something new" – Interviewee 3*

This informant ties their company's collective tendency to speak aloud about their failures into enabling innovativeness. Regarding failure a common stance among the companies interviewed was to not blame a single person for a mistake made, but instead in communications and conversations aim to find solutions together to move forward. One informant describes their company's collective intention to learn from mistakes instead of trying to find someone to blame, as follows:

*"So in cases like ... [when there is a problem with a product which impacts a large client] we have to be very open about what's going on and be very clear in repeated messages ... that we are working on this together as team and that it's not any individual.. or no individual is to blame here. You have to be quite careful with how you choose the words, because if you just say that it's no individual who's at blame, then it's you know everybody will be thinking of who's the individual. So you have to talk about it in a collaborative fashion.. about like how we are working together to resolve this and how we're working together to learn from it." – Interviewee 1*

One interviewee highlighted the importance of publicly given positive feedback as a way to strengthen such feedback culture in the company:

*"When something positive happens, very openly give them positive feedback that makes that person feel.. and it also sends a message to organization, this is how we want to kind of act.." – Interviewee 6*

Similarly, when describing evidence of trust within their team, another interviewee described how positive feedback has been present in their team:

*"We had a growth team meeting in ... [a city] last November and someone just came up with an idea ... we had this circle that everybody had to say something positive about a coworker, so we went around. Everybody told their feedback to everybody and then also some*

*development areas. And it was super fun and I think it was very natural for us. But I have told about this feedback ... [circle] to others and they were like that “you cannot do that in a workplace because it needs so much trust.” But for us it's natural..” – Interviewee 5*

Here the interviewee highlights the significance of their team having room for a spontaneous suggestion of a feedback circle, in which both, celebratory as well as constructive feedback was given and received. This kind of receptiveness of direct feedback can be seen as a reinforcement of mutual trust among the team.

#### **4.4.2 Intentional, considerate team building**

Other practices found from the data, that can support relatedness on a collective, organizational level, are practical aspects of organizational life, which enable the formation and building of teams. Humor was one such component found from the daily life of some informants' testimonies of their companies:

*“a big and important part is that we're actually like having a really good time because it's been also the main factor that when it actually gets tough, so then when you are having good relationships with the people ... then you can even smile and laugh for the craziest things that happened ... find humour out of the weirdest and hardest circumstances, and I think that's been a very important matter of keeping people.. not getting extremely stressed.” – Interviewee 3*

In this company, the daily work is done with an intention to keep a light spirit even in the face of difficulties. Another informant described a deliberate practice in their company, which allows for the public appreciation of a team member who has done significant work:

*“We have practices that help like building a good team ... Anybody can propose a recognition to anybody in the company ... [like] that was helpful for just extra effort you did.. Those are.. we reveal those in our monthly meeting so everybody gets to know what somebody did, and it has a small reward also. But that's not the main idea.. It's to bring visible, this is kind of.. people who are helping others and.. or making extra effort to solve some situations that some people see, or helping with troubles” – Interviewee 8*

One informant described a practical principle of conduct in their company which allows the emergence of good team atmosphere:

*“So one thing is ... [that] we have this ... [no] asshole[s] policy ... someone can be really, really, good at what they do from a technical perspective, but then they behave very negatively, which becomes a cancer. And then you just need to understand that it does more harm than good. And then it's my job to make sure that my team feels that they can achieve, and they want to come to work most of the days..”* – Interviewee 4

Here the lack of people with negative conduct in the team is seen as enabling for such atmosphere that allows for team members to want to work well. Another way of ensuring a good team atmosphere is found from another interviewee's testimony:

*“Whether it be challenges or setbacks, people dare to talk about them in front of the team. Good examples of this [trust within the team] are how when there have been challenges and people have dared to speak up and how does the rest of the team react? By patting each other on the back or giving a hug, for example. This is something that our external advisor also mentioned, that our team is great because we are willing to raise challenges and then others support the one with those challenges.”* – Interviewee 7

The genuine and even physically manifesting support of team members in the face of adversity is seen here by the interviewee as enabled by the trust that resides within their team, and can be seen as also further strengthening such trustful connection between the team members. Finally, a key aspect of considerate team building on an organizational level found from the data is related to the inclusion of employees' family members into the company's day to day life:

*“the office is always open for the other half's and kids and dogs and whoever wants to pop by. We are in ... [central Helsinki], so there might be people shopping or going by ... So it's kind of this type of openness”* – Interviewee 2

Even though team building was not deliberately mentioned in this quote's context, knowing each other's family members helps team members to know each other better as people beyond their professional roles, and hence, strengthens their relational bond.

#### **4.4.3 Routines and practices for meeting together**

A key aspect in building teams, and specifically the relationships between team members, and hence, relatedness support within companies on an

organizational level, is the ways in which formal and informal meetings between team members are conducted. Similarly as in life outside of work, according to the data eating together is one common way through which connections are built in these working organizations:

*“shared meal together, you know breaking bread with people helps build a relationship for sure. Doing this online.. it's much harder than doing it in person, which is why we do have a.. like recurring off sites with the exec. team. So we.. every second month we all get together in person.”* – Interviewee 1

Here the interviewee touches on the impersonal nature of online collaboration and finds bimonthly meetings outside the office a solution to what it lacks in, including eating together. Another interviewee reported certain traditions for meeting with their team members:

*“..the management team. We try to sort of organize opportunities for us to meet also on social basis. So as mentioned in these weeklies we have this 5-10 minutes in the beginning [to share about personal life], then it's been now difficult during the covid times but we used to have a weekly lunch ... It's not like everybody needs to come there, but if you happen to be in the office, let's try to use that time to kind of also socialize. And then every three months or so we have what we call ... [management] team offsite so we can go somewhere and spend the night together and so forth.”* – Interviewee 6

In addition to their quarterly off site get-togethers, this management team has an opportunity to meet weekly for lunch and ensures that their weekly meeting starts with an opportunity for everyone attending to share how they are doing personally that particular day. Another common practice in some informants' companies was the kind of a yearly trip abroad together as a company, which combines work and fun:

*“we have this annual kind of a strategy day and annual trip abroad. That's the whole company actually, so ... [it's an] event that starts Thursday afternoon, that continues until Sunday. So we typically go to some destination in Europe and the Friday is kind of work related, but then there's a lot of different activities and these events are for team building so, people get to know about each other. Maybe new people coming to the company, they get better understanding of people and also how things work in the company.”* – Interviewee 8

One informant reported a common form of organically meeting together:

*“when we meet, we hug or say hi and you know high fives and this “how are you doing” and we talk around the coffee machine at the office or having lunch boxes at the office.. in the centre of the office there is a huge dining table and ... everybody brings ... their lunches or lunch boxes and then there is a sofa as well and then we ... [have a cheerful conversation] and eat cakes when there is a slightest reason.. then we buy cakes or buns or.. It's this kind of talking..” – Interviewee 2*

Here the informant describes the natural formations of collective gatherings among employees in the office, as well as the apparent bond between employees present in the work place. Community building can be deliberate as well. One informant's company does this through official communities of practice:

*“And for example last year we started to have more specific communities of practice in this sense.. Kind of more focused areas where people with the same kind of expertise are meeting and then they share recent stuff. It's ... [an amount of employees] people so organizing that 10% time is not as easy as it used to be, when we had 30 people. Then we just went to the office and had a good day of experimenting on different things. But now it's important also that right people find each other in the whole company.” – Interviewee 8*

#### **4.4.4 Financial fairness**

Finally, similarly to transparency and care in section 4.3.3, also financial fairness in organizational practices is seen here as an underlying contribution to supporting employees' need of relatedness, through building trust into the relationships between them and their organization's representatives. Some interviewees mentioned such practices in their companies:

*“for example, the financial part.. We have some targets, we want to be profitable, and so on ... but we don't go through cost cutting program here..” – Interviewee 8*

Here the interviewee refers to such a commitment to employees that short term profitability is not pursued at their expense, when discussing the trust of employees. When describing practices related to such urgent situations in their company, in which employees are needed to work significantly more than regularly, one interviewee described how their employees are able to negotiate their participation in and rewards for taking part in such situations.

*“you need to ask ... the people [assigned to a crunch season] that are they willing to do [the crunch]... and what do they gain out of that? Is it*

*some time, free time, or is it a bonus or something if they are going to the limits ... to even unhealthy limits then.. so unfortunately sometimes it's necessary. So then there needs to be some type of payback, even with the holidays or then with that bonus or something else. And the people know it beforehand and they have.. they can decide themselves that are they willing to do that, and then if they're ok with that, like then everyone's been agreeing ... then it's go time ... but it's not fair to put people on that if they haven't been agreeing on that.” – Interviewee 3*

Having ability to choose the nature of one’s participation in urgent situations refers to autonomy supportive working practices. In this chapter the ways in which the eight founder-CEO’s of the companies presented in this study, described their and their companies’ relatedness supportive strategies, has been presented and analyzed. Next, a further discussion on these findings leads this thesis to its academic and practical contributions.

## 5 Discussion

As seen in the literature review, leadership is an ambiguous and multifaceted phenomenon of not much scholars agree on (Yukl, 1989; Alvesson, 2019). While this has made it possible for the whole concept of leadership to be questioned in its usefulness or even realistic existence (Smircich & Morgan, 1982; Meindl, Ehrlich & Dukerich, 1985; Gemmill & Oakley, 1992; Fairhurst & Grant, 2010), for the sake of its popular usage as part of different kinds of organizational contexts, this thesis has adopted Yukl's (1989) broad definition of leadership: positive influence.

The many societal needs of our time raise a special interest in the leadership of a phenomenon at the heart of this thesis: innovation. What is needed in order for innovation to emerge in work contexts is the individual creativity of employees (Hughes et al., 2018). Focusing on stewarding employees' creativity, with a goal of innovation, Entrepreneurial leadership provides a glance into what kind of leadership serves this purpose in entrepreneurial ventures (Gupta et al., 2004). When it comes to leading innovation, entrepreneurs are a suitable object of research because of agency (Beckert, 1999) and imprinting (Simsek et al., 2015) – mechanisms visible in the role of an entrepreneur, affecting organizational outcomes.

However, the theory of entrepreneurial leadership alone doesn't explain the effectiveness of such leadership regarding the innovativeness of organizations. In creativity research intrinsic motivation is recognized as a vital prerequisite for creativity (Amabile, 1983; Amabile & Pratt, 2016), and in motivation research creativity is explained as one of the outcomes of intrinsic motivation (Ryan & Deci, 2017). In addition, SDT explains what is needed in order for employees to work fuelled by their intrinsic motivation. According to SDT, people are naturally inclined to attain a state of psychological growth, internalization and wellbeing (eudaimonia-flourishing). Being intrinsically (fully autonomously) motivated leads to this state, and hence, also produces creativity. The level of autonomy or control in an individual's motivation is determined by how supportive their environment is of the three basic psychological needs of autonomy, competence and relatedness (Ryan & Deci, 2017) – relatedness (the feeling of being reciprocally loved and cared for) being the need that sets the social environment in which all of the three needs are being met (Van den Broeck et al., 2016).

Relationships that support relatedness require autonomy-support, genuinity, respect and non-instrumentality (i.e. intrinsic value) (Ryan & Deci, 2017). In addition, belonging as a fundamental aspect of relatedness, is characterized by experiences of being accepted, respected, included and supported (Goodenow & Grady 1993), as well as stability, continuity, frequent

interactions and a bond of caring (Baumeister & Leary, 1995). For such experiences and relationships to emerge in work contexts, a suitable leadership style for the support of relatedness was recognized in the literature review: Servant leadership, in which the main goal of leadership is the growth and wellbeing of employees (van Dierendonck, 2011), and in which the leader can be seen as involving their personal intentionality and personhood beyond their professional role, into their leadership activities.

In addition to the interest risen through the linkages in the literature review of this thesis, several scholars have called forth further research on aspects of innovation and relatedness-enhancing leadership. Allen et al. (2021) are interested in strategies of how belonging can practically be supported in different contexts, to which this study provides insights from the context of entrepreneurial technology ventures in Finland. Shao et al. (2022) call for new perspectives on types of leaders' relatedness supporting actions which could be interpreted as positive leadership behaviors, for which this study provides a set of leadership related strategies for relatedness support. Stremersch et al. (2022) are interested in the preconditions of innovation that link leadership style with the positive effects of self-determination, and this research suggests relatedness supportive leadership strategies as one such precondition. Similarly, Anderson et al. (2014) ask for more understanding on how leadership style affects creativity and innovation in work contexts, as well as ways in which CEO's could influence strategy and culture to achieve innovation – to which this study answers through suggesting a new conceptual leadership framework. In this chapter the two distinguished contributions to literature, derived from the findings of this thesis research, will be discussed.

## **5.1 Strategies for relatedness support through Organizational and Leader cultures**

First, to answer the RQ, as is visible in the research findings, altogether 14 different strategies for relatedness support were found from the informant's accounts of their interactions with, and traits of thinking regarding their employees and organizations (Figure 2). These strategies can be divided into four categories: Leader values, Leader actions, Organizational values and Organizational practices.



Figure 2. 14 relatedness supportive strategies of Founder-CEO's.

The category of Leader values refers to the findings regarding the “internal world” of the leader (subchapter 4.1) and includes strategies of Altruistic perception of and intentions towards employees; appreciation of employees as individuals beyond professional role; and Openness and intentional presence for employees. These describe the beliefs and mindsets the leaders have regarding their employees as well as themselves as leaders; and their intentions in relation to their employees, and can be viewed as their relatedness-supportive values.

The category of Leader actions refers to the findings regarding the personal actions of the leader (subchapter 4.2) and includes strategies of Meeting with employees intentionally; Knowing employees' individual differences and showing personal attention; Open, bold, frequent, receptive and intentional conversations; and Integrity in behaviour and altruistic use of resources.

These describe the practices the leaders have regarding, and the ways they behave with, their employees, and can be viewed as their relatedness-supportive displays of action.

The category of Organizational values refers to the findings regarding the ideas embedded in the organization (subchapter 4.3) and include strategies of Low hierarchies and openness for conversation, opinions, ideas and need for help; Team mentality; and Transparency and care. These describe the collective beliefs and mindsets the informant's organizations have, and can be viewed as the organization's relatedness-supportive values.

Organizational practices, the final category of strategies for relatedness support detected from the informants' accounts, refers to the findings regarding the actions embedded in the organization (subchapter 4.4). These are: Receptive, direct and non-judgemental conversational culture; Intentional, considerate team building; Routines and practices for meeting together; as well as Financial fairness. These describe the collective practical traditions, norms and ways of interpersonal communications, which can be viewed as relatedness-supportive organizational practices of the interviewee's companies.

Schein & Schein (2017) define the culture of a group as “the accumulated shared learning of that group as it solves its problems of external adaptation and internal integration; which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, feel, and behave in relation to those problems. This accumulated learning is a pattern or system of beliefs, values, and behavioral norms that come to be taken for granted as basic assumptions and eventually drop out of awareness.” (p.6). Adapting this definition, these four categories of relatedness support strategies can still be divided into two avenues for leadership (i.e. positive influence (Yukl, 1989)): *Organizational culture* and *Leader culture* (Figure 3).

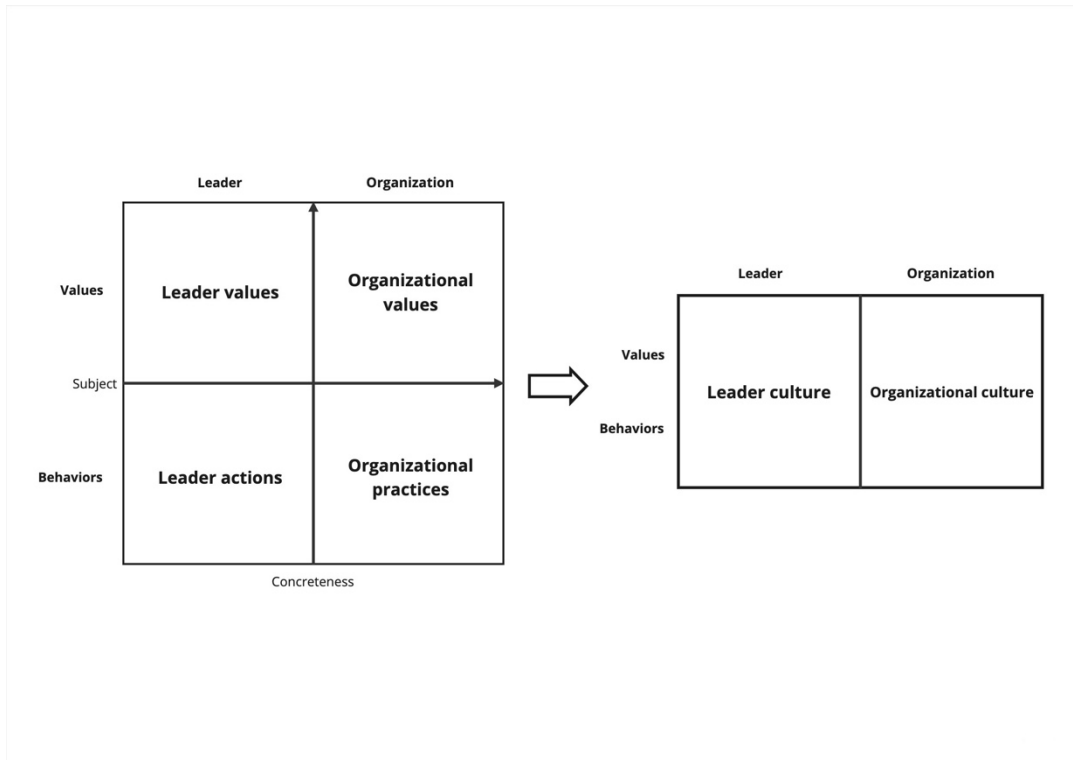


Figure 3. From categories of strategies for relatedness support to avenues for leadership.

The findings of this research suggest that both avenues are significantly linked to supporting relatedness among employees. First, the well-researched avenue for influence, Organizational culture, which contains, according to the previously mentioned *dynamic definition of culture* (Schein & Schein, 2017), both: the innate beliefs of what is valuable to a group – the organization’s collective values; as well as the ways in which its members act collectively and as members of the group – the organization’s behavioral norms or organizational practices. A significant way in which the leader influences the organizational culture (which in turn supports or frustrates the employees’ need for relatedness) is through imprinting (Simsek et al., 2015). Therefore perhaps the even more important avenue for influence, found from this research is the Leader culture. The leader culture refers to the “personal culture” of the individual leader. Adapting the above definition of culture, but observing the values and behavioral norms of simply the leader, opens up an interesting frame through which relatedness support and other forms of influence can be viewed. Observing leadership emergence through this avenue allows to recognize the significance of the non-verbalized or even -realized or subconscious influences the leader’s personal life (outside their professional role) experiences, value-based decision making and conduct has in their leadership.

In addition to leaders imprinting their beliefs and practices into the organizational culture, the notion of Leader culture is significant especially in observing relatedness support offered to individuals in one-on-one leader-employee relationships, due to the support's nature of becoming truly efficient only by drawing its vitality from the personal humane resources of the leader. As shown earlier in the literature review, the leader's ability to autonomously and genuinely (non-instrumentally) care about and trust in their employees, as well as value their perspective, plays a significant part in whether the leader's attempts for relatedness support become effective or not (Ryan & Deci, 2017; Baumeister & Leary, 1995). As is visible in the research findings, these abilities and inclinations of the leader, in relation to their employees, can be found from the Leader values and Leader actions-categories of strategies for relatedness support and hence, leader culture becomes, in addition to organizational culture, a relevant frame through which to purposefully observe the emergence of relatedness support. This way of distinguishing the importance of the personal culture of the leader also recognizes the fact that organizational culture (Schein & Schein, 2017), while being influenced by the leader through imprinting (Simsek et al., 2015), is still dynamic and changes according to the collective allowance or promotion of certain values and practices. In contrast, while not being completely able to control their organization's culture, regarding their own personal culture the leader is able to have decision making power and certainty.

## **5.2 A new conceptual leadership framework to facilitate innovation emergence: Leadership as gardening**

Drawing insights from different fields the contribution of this thesis is multidisciplinary. It contributes to both SDT, as well as the field of leadership research. For SDT, as seen above, it broadens the theory's contextual understanding of the specific ways through which the need for relatedness could be supported in Nordic low or non-hierarchical organizational settings, in growth companies of the technology industry, as well as from the leadership perspective of a founder-CEO. For Entrepreneurial leadership, the findings of this thesis offer a deeper look into how entrepreneurial leaders in Finland view the relatedness-aspect of their agency-linked leadership efforts.

For the study of leadership as a whole, this thesis suggests a new conceptual leadership framework, integrating insights from both, SDT and leadership studies, as well as the present study. Directed at enabling innovation in knowledge intensive organizational contexts, the framework, *Leadership as gardening* sets both, a clear goal for leadership efforts, as well as avenues for achieving it (Figure 4). The name, Leadership as gardening, is a metaphor describing the needed paradigm to achieve the goal of leadership efforts: perceiving employees as a garden, cherishing them like a gardener through the

molding of their environment and the showing of personal attention to their needs, the leader aims to enable flourishing of individuals. And as the etymology of the word culture (cultivation of land (Simpson & Weiner, 1989)) suggests, the cultures of the gardener-leader and the organization are then formed through, and effective, in the pursuit of this goal. The collective flourishing of individuals within an organization results then in enhanced creativity and other beneficial outcomes of intrinsic motivation shown by SDT (Ryan & Deci, 2017); which eventually leads to the flourishing of the company, visible through innovation.

Flourishing, meaning Eudaimonia, distinguished from mere happiness or hedonic satisfactions – or as one might argue, quickest possible turnover rate for investments by any means possible – is used here to describe the nature of both such an individual life, as well as organizational life, which is worth pursuing. As shown through SDT literature earlier, Eudaimonia-flourishing-wellbeing, visible as fully autonomous/intrinsic motivation, describes a state of being fully functioning in vitality, and exercising one's human capacities (Ryan & Deci, 2017). Ryan and Deci's (2017) definition "a fullness and vitality of organismic functioning in which people are aware, psychologically flexible, and integrated rather than depleted, defensive, rigid, or compartmentalized" (p. 243), is here extended to describe also the desired wellbeing of a company of people, an organization formed by a group of eudaimonia-experiencing individuals, and hence a company which is able to fully function in its full collective human capacity. As discussed in the literature review, creativity being one outcome of such state of wellbeing (Ryan & Deci, 2017) in environments that support intrinsic motivation (Amabile, 1983), as well as a prerequisite of innovation (Hughes et al., 2018), the pursuit of individual flourishing through leader and organizational cultures that support people's three basic psychological needs, builds a sustainable foundation for organizational innovation.

In the literature review two significant leadership styles were presented, one for enabling innovation and one for supporting relatedness: Entrepreneurial leadership, specifically for the encouragement of agile, creative and growth-oriented organizational behavior (Gupta et al., 2004); and Servant leadership, specifically for supporting the individual growth of each employee (van Dierendonck, 2011). However, both leadership frameworks are mainly focused on the behavioral nature and attributes of the specific kind of a leader. Leadership as gardening is a conceptual framework which, instead of simply stating the required or aspired leader qualities for specific contexts or outcomes, rather describes the causalities of why such qualities are important in leadership, and instead of simply focusing on specific behaviors and values of the leader, frames them into one avenue through which the leader's personal qualities manifest and affect the organization: leader culture.

Therefore, Leadership as gardening is a framework describing the essential nature of the concept of leadership itself in the context of innovation-pursuing, knowledge intensive organizations – instead of simply the specific actions or inclinations of a certain type of a leader. The framework is useful for both academia and practice, since it effectively frames the investigation of specific cultural aspects of both leaders and their organizations in different contexts, and hence, helps in recognizing both abundance and lack in any of the three areas of support needed for flourishing: autonomy, competence and relatedness (Ryan & Deci, 2017). In addition, partly joining the notion of “postheroic” theories of leadership, which aim to shift the focus of leadership research from a singular leader-person dichotomy to the practice of leadership as a phenomenon emerging in between multiple individuals (Gronn, 2002; Crevani, Lindgren & Packendorff, 2007; Drath & al., 2008; Denis, Langlely & Sergi, 2012), complimentary to describing the cultural effects of an official leader-role within an organization, Leadership as gardening also allows for leadership to be thought of as a contextual task or a skillset to be learned, taken on by anyone in an organization, even without significant “leader-qualities”, in for example temporary project contexts.

Finally, answering to the critical and social constructionist concern of leadership as a phenomenon inhibiting the agency of individuals (Smircich & Morgan, 1982; Meindl, Ehrlich & Dukerich, 1985; Gemmill & Oakley, 1992; Fairhurst & Grant, 2010), Leadership as gardening is built on an SDT-based idea of humankind in which the individual affected by leadership efforts is seen as, and expected to be, powerful, capable and sufficient in their humanity to have impactful agency. In it leadership is seen simply as an empowering function to support the well-researched basic psychological need satisfaction of employees, in order for their most natural state of being a human and internal capabilities to manifest to their fullest potential also within their organizational contexts. Essentially, like a garden achieves its purpose of existence only if its plants are blooming, in this leadership framework the underlying hope for the emergence of the desired outcome of innovation lies not in the leader or their capabilities, but in the displays of the true human potential of employees, evident through their flourishing.

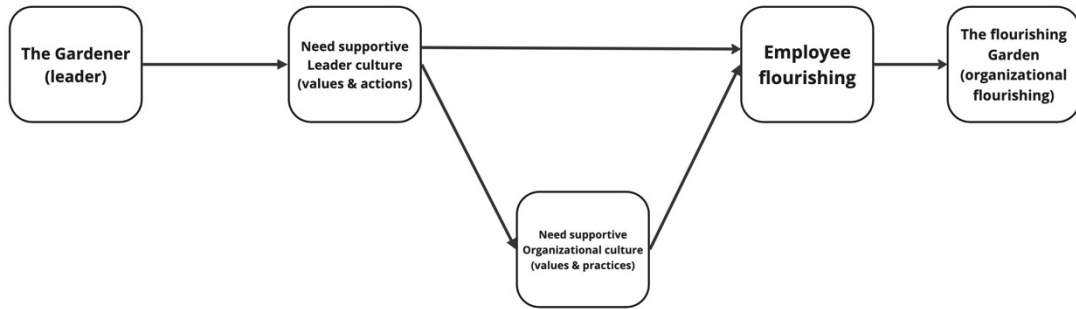


Figure 4. Leadership as Gardening.

## 6 Conclusions

This thesis has first explored the literature regarding relatedness support and belonging, as well as their relevance for leadership and business in general through literature on preconditions for innovation in organizational contexts. After this the methodology of the empirical qualitative study of this thesis was presented. Then the ways of relatedness support were discussed through the analysis of qualitative data from interviews with eight Founder-CEO's of Finnish startups and scaleups. Altogether 14 strategies of relatedness support were found in four categories: Leader values, Leader actions, Organizational values and Organizational practices. Through further analysis out of these categories, two avenues for relatedness supportive leadership were presented: Leader culture and Organizational culture. These avenues, combined with theoretical insights from past research, were formed into a new conceptual leadership framework for knowledge intensive, innovation pursuing organizational contexts: Leadership as Gardening. This framework is based in SDT and links its insights about human motivation into the realm of entrepreneurial leadership. Leadership as gardening compliments leadership of tasks by framing leadership as the human focused creation of an environment where employees can flourish through the satisfaction of their basic psychological needs. In this final chapter of this thesis practical and managerial implications, and limitations of this study, as well as suggestions for future research, will be discussed.

### 6.1 Practical and managerial implications

Something significant can be learned from the way the Finnish tech startups and scaleups of this research are able to motivate their employees through relatedness support, when there might not be a possibility to reward employees with large bonuses and high salaries yet. In addition to being the inherent nature of business, a profit driven logic is usually extended to employment and motivating employees. An underlying assumption of employees as rational, profit driven individuals has enabled the formation of the kind of standards of performance, reward systems and working cultures in which the goal of financial profit is seen as a synonym for motivation, and the nature of people reduced to logically behaving parts of an optimized machine. While to some extent people are, out of necessity or desire for financial means, logical in their pursuit of more pay, there is a limit to how far such external motivators will affect performance in work contexts (Gagné & Deci, 2005).

Innovation, as a source of novel profits, is one outcome of desired performance from employees, and requires, in addition to sufficient pay, certain kind of an environment to emerge. As seen in the presented literature

(Amabile, 1989; Ryan & Deci, 2017) human creativity, which is a prerequisite for organizational innovation (Hughes et al., 2018), is driven by intrinsic motivation, and emerges when basic psychological needs are being supported and not frustrated. SDT suggests that there are ways to build such environments into working organizations, in which employees can attain a state of intrinsic motivation in such a way that their actions resemble the play of a child – finding rewards from the interest and enjoyment of following the impulses of their internal world (Deci et al., 2017).

In addition to enabling innovation within organizations and hence benefiting the company's quest for novel sources of profit, getting to work as autonomously motivated as possible, has significant benefits on the wellbeing and life satisfaction of employees (Ryan & Deci, 2017). Recognizing employees as human beings with basic psychological needs, and unique abilities when getting these human needs met, would not only provide companies new possibilities for financial revenue and savings through the formation of innovative working cultures. In contrast to the current transactional corporate cultures, characterized by disposable and role based interpersonal connections, it could also create a more humane culture into the world of business at large. In such culture the currently possible, inhumane demand to separate the values, emotions and motivators of employees' personal self (i.e. their drivers outside of business/corporate environments), from their professional role for the sake of effectiveness or profitability, would cease to exist. Getting their humane needs recognized and supported at work as much as possible, could enable employees to contribute the individual, formerly undiscovered outcomes of their intrinsic motivation to benefit, instead of solely their own lives outside of work, also others through their professional spheres of influence. If the kind of collective and systemic paradigm, of employees being humans first, and only second representatives of their professional roles, would exist in business, it might enable the formation of such companies which are, by their design as well as their footprint, beneficial for, instead of exploitative of, all of their stakeholders and the society as a whole. Bringing the fulfilment of human needs to the center of organizational goals, could have the far reaching, beneficial repercussions needed to repair the multifaceted relational, societal and environmental damage produced by the underlying greed driving much of business today.

On a managerial level, the deepened recognition of human needs within work places offers companies access to resources otherwise unavailable, yet needed for the creation of breakthrough products, services and ways of working. Considering the profitable possibilities of the unique contribution of each individual's intrinsic motivation, if their needs are properly taken into consideration on all levels of their work organization, executives and managers everywhere should finally commit to a reformation of their leadership

paradigms. In order for the true potential of current workforce, as well as the completely unused potential of people currently outside of corporate workforces – those who either refuse to or are unable to conform to present humanely dismissive professional environments – to become a resource for value creation, the leadership of achieving tasks needs to be complimented with recognizing and supporting the psychological needs, and essentially, the holistic humanity of employees. In addition, the current waste of valuable interpersonal relationships within organizations, by reducing their potential to disposable and superficial task oriented interactions, leaves another resource unused. The autonomy support given by leaders in their high-quality supervisory relationships, provides for them as the giver an even greater source of strength and energy, than for the receiver (Ryan & Deci, 2017).

Philosophically, if the pursuit of financial profits through any means possible is compared to the notion of hedonistic happiness, the pursuit of realized human potential through intrinsic motivation refers to eudaimonia wellbeing. Extending this paradigm from individual level motivation, to cover the motivation for the existence and functioning of companies, would mean that through a deeper look into what the actual human potential residing in every company's workforce entails, a greater purpose than mere profit, for all of the resources and effort tied to business at large, could be found. Reframing the nature of business entities from mere companies to *companies of people*, could cause the “organ”, the “chest”, to be (re)defined as the essence of the hollow form of function that is much of business today – so that humanity, inevitably tied to it through contribution, consumption, or as collateral damage, could because of it not vanish but flourish.

## **6.2 Limitations and needed further research**

There are a number of limitations in this study. While it provides an in-depth glance into the relatedness related thinking of founder-CEO's of Finnish technology industry, it does not provide holistic knowledge of the practical outcomes of this kind of thinking in their contexts. As the data covers only the perspectives of the Founder-CEO's, it does not express whether their ways of relatedness support are actually effective in supporting their employees' need for relatedness. While this study reveals literature based strategies for relatedness support, confirming the effectiveness of these strategies would require longitudinal studies conducted within the companies presented in this research, including interviews with the employees of these companies about their experiences. Furthermore, the usage of qualitative approach is defined by biases and selective reporting, which, while providing valuable insights, cannot alone produce knowledge to be generalized to a larger population.

Second, this study only highlights the ways in which the Founder-CEOs support relatedness, but does not cover the ways in which they neglect or even oppose their employees' need of relatedness through their views and actions. For this a different perspective for analyzing the data, as well as for further interviews, would be needed.

Third, as the interviewees were asked to describe their leadership mainly regarding their closest employees (i.e. team members), which in many cases referred to the managing team of the company, whether some of the findings of this study can be extended to the leadership of those employees who are further away from the leaders in the organizational structure, would need further investigation as well.

Fourth, as the data presented in this study is extracted from interviews which covered general topics of leadership in innovative contexts, the exact topic of relatedness was never deliberately discussed as such. While this can also be seen as a strength, since prompting for specifics could guide and bias the participant, because of it the study does not discuss critical aspects of relatedness, nor the challenges the informants might experience or think related to it. Additionally, this study has not covered the problems and organizational demands related to relatedness- or other need support, which, in order to gain a holistically realistic understanding of the current topic, would be needed.

In addition, this thesis is based on the foundations of self-determination theory. According to it, the support of the basic psychological needs of autonomy, competence and relatedness in the workplace will result, among other outcomes, in employee creativity (Ryan & Deci, 2017), which will then in turn, result in innovativeness of the company they work for (Amabile & Pratt, 2016). This foundational assumption is grounded in well-established theory (Van den Broeck et al., 2016) but the specific outcomes of relatedness support regarding the innovativeness of the companies presented in this study, would have to be measured separately.

Finally, innovation is a large and multifaceted concept which needs, in order to emerge, a multitude of aspects covered in organizations, leadership and even society. By no means is the conceptual leadership framework suggested in this thesis comprehensive for the emergence of innovation in knowledge-intensive working organizations. However, regarding the leadership of people as holistic human beings beyond their professional role, Leadership as gardening offers a theoretically suitable framework for observing and developing supportive leader- and organizational cultures, essential in the emergence of employee wellbeing and creativity. The practical suitability of the

framework for supporting innovation emergence in organizations would have to be researched in multiple ways and contexts.

### **6.3 Additional suggestions for future research**

In addition to the mentioned needed studies to cover the limitations of this thesis, multiple avenues for future research are encouraged. First, the 14 relatedness supportive strategies found through this study offer an interesting avenue for further investigation. Are these strategies widely used in all kinds of organizational contexts or are some of them unique to smaller companies or to the technology industry? In addition, how do differences between the local cultures of regions, countries and continents affect the emergence of relatedness-supportive leadership strategies?

A second interesting avenue of research offered by this study is the leader culture. In what ways does the notion of the leader's personal culture provide ways of recognizing causalities between the leader cultures and the organizational culture of companies? As an object of transformation, to what level can leader culture be changed by the volition of the leader themselves – assuming it is formed throughout the leader's life, and affected by different social and local cultures the leader has been a part of or influenced by?

Lastly, what is needed in the study of SDT, belonging and leadership, is more understanding of how a previously non-supportive or -caring leader could start caring about their employees' wellbeing. Authentic, need supportive care being characterized by non-instrumentalism, what are the underlying motivations which enable genuine care for others previously overlooked in one's leadership, and how to support the emergence of such motivations in organizational contexts?

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## Appendices

### Appendix 1. Interview outline.

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#### **Interview outline (60min)**

##### Start (5min)

##### Role, history and team (7min)

1. Can you tell me about your current role and how you ended up there?
  - What are your key activities?
  - How has it evolved since the beginning?
2. Can you tell me about your team?
  - Who are the ones you have immediate contact with, or who are most in the radar of your influence? (these are the ones we are speaking about throughout the interview)
  - If I speak of “your team”, what roles/who does it include?

##### Entrepreneurial Leadership (10min)

3. Can you describe the ways you being a founder of this company, is evident in the way you lead?
  - How did it show in the beginning of your company?
  - How does it show today?
4. How have you modeled entrepreneurial behavior to your employees?
  - What kind of behaviors in your day to day work would you describe as entrepreneurial?

##### Psychological safety, creating strong ties and servant leadership (25min)

5. What do you think about the culture and trust of your team?
  - How have you contributed to the way people view each other in it?
  - Is there trust between your team members?
  - Do you feel like you can count on your employees to have your back when you need it? In what ways?
  - Do you think your employees trust you? In what ways does this show? Why do you think this is?

6. How would you describe the individual relationships you have with your team members?

- What kind of access do your team members have to you?
- When can they speak with you and with what topics can they approach you?
- What kind of non-work related contact or conversations do you have with your team members?

7. What do you think about risk-taking and failure in your company's context?

- How does it show in the way you work as a leader?

8. What kind of power dynamics does your team have?

- How does your leadership contribute to this?

9. Can you tell me about collaboration in your team?

- How do different kinds of people work with each other?
- How do you connect with those in your team who work with areas that you don't understand?

10. Can you tell me in which ways do you support your team members/employees in their work?

- How do you encourage proactivity?
- How do you help individuals to change/progress for the better?
- How do you support learning?

11. When there is a demanding situation in your company: a crisis or a crunch season – how do people react to it?

12. How would you describe your leadership style?

- What are the most important principles to you in your leadership?
- Would you say that you show care to your employees? If so, how?

#### Fostering creativity and innovation in collaborative teams (10min)

13. What do you think about creativity in your company?

- How do your leadership actions reflect this?

14. Can you describe to me the innovative culture of your company?

- What did it look like in the beginning?

- What does it look like today? How has it changed through growth?
- Which organizational- and leadership choices fostered innovation in the beginning and what fosters it now?

15. What would you describe as the DNA of your innovative culture?

- How have you ensured that it has stayed the same through growth?

16. Can you tell me about motivating your employees' creativity/innovativeness?

- How do you motivate them to be creative in their work?
- Do you use external rewards for motivating innovativeness? If so, what kind?

Ending (3min)

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