Better Together

Co-leadership Dynamics in Start-ups
Acknowledgements

In order to complete this thesis, we have received support from various individuals and they all deserve our thanks.

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Filip Handbaek & Priscilla Voorbij

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Abstract

**Background:** Although leadership is a topic which has been extensively researched, there is limited literature concerning co-leadership, especially in connection to start-ups. Moreover, as those who are co-leaders in start-ups often also are co-founders and co-owners, it is vital that their co-leadership dynamic is functional as a way of staying in business. Co-leadership is described as a leadership form which has become more commonly used, which further adds urgency of exploring the topic of co-leadership dynamics, and how to make it functional.

**Purpose:** The purpose of this thesis is to explore how a functional co-leadership dynamic can be created between leaders who are simultaneously founders and owners of a start-up.

**Method:** This is a qualitative study, for which is used semi-structured interviews to collect data from 11 co-leaders in 10 companies. The transcribed interviews have been used together with secondary data to point out specific elements that have shown to be important for a functional co-leadership dynamic. Both the themes of co-leadership dynamics and the context of entrepreneurship, foundership and ownership were used to find and highlight these elements. The elements have been discussed in the Analysis and are thereafter presented in a model.

**Conclusion:** Six elements have been pointed out as important for a functional co-leadership dynamic: Collaborative Attitude, Shared Values & Vision, Open & Continuous Communication, Synergy, Learning & Personal Growth, and Trust. These elements are interrelated, and Collaborative Attitude, Shared Values & Vision, Synergy and Trust are also connected to the contextual factors.
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Prologue

Writing this thesis together has encompassed several features similar to the topic of our research. The presence of co-leadership dynamics brings many challenges which are absent when working alone, still it also provides opportunities which are hard to catch when working by oneself.

Just like many entrepreneurs starting their first business, we did not know what we were getting ourselves into, but we did learn along the way. The ongoing flow of discussions, evaluations and improvements has shown to be an invaluable factor for the completion of our work.

And just like any founder of a company would say: it has been a lot of hard work. Co-leading the process of this thesis into its final version has been enjoyable yet tiring, riveting yet frustrating, and enlightening yet stressful. Truly, it has been a project like no other.

But we are happy that we did it together.
1 Introduction

1.1 Background

Leadership is an area of study that many people seek after to understand. That is why it has been extensively researched in both qualitative and quantitative studies in the last century. Leadership is an old subject on its own and its meaning is continuously re-evaluated and has changed in order to fit new contexts and time periods. Various scholars have attempted to define the concept, and it has been explained from several perspectives. Northouse (2015) mentioned the following examples: at the beginning of the 20th century, the definitions of leadership emphasized control, power and domination. However, the definitions and perspectives of leadership have progressed a lot during the last century. Especially since in the 21st century emerging research started to focus on the process behind leadership. This concerns how the leader influences a group to achieve a mutual goal. Additionally, leadership perspectives recognized that leadership can be carried out by multiple people (Pearce & Conger, 2003). Interestingly, the definitions in these time periods have been greatly influenced by external influences such as politics and world affairs (Northouse, 2015).

To this day, leadership remains a complex process which has different dimensions (Northouse, 2015). One of the variations deriving from the general leadership concept is co-leadership, which is part of the shared leadership theory (Pearce & Conger, 2003). Shared leadership has many synonyms under which literature can be found, the most eminent ones are: ‘collaborative’, ‘collective’, and ‘distributed’ leadership. Co-leadership itself has been around for centuries and has been implicitly recognized (Vine, Holmes, Marra, Pfeifer, & Jackson, 2008), although the literature fully dedicated to the shared leadership concepts has only seen a rise since the 21st century (Bolden, 2011; Vine et al., 2008), and the empirical research that has been done until now is scanty. Researchers, such as Huxham and Vangen (2000), state that collaborating at senior leadership level improves the effectiveness of strategic organizational partnership. Furthermore, it allows the leaders to pay attention to different aspects of their managerial tasks, which includes both the day-to-day activities and the long-term strategy of the company (Vine et al., 2008).
But successful co-leadership is not an easy thing to accomplish. When there is more than one leader, several opinions and perspectives must be taken into consideration in the decision-making processes. For example, a lack of experience and mismatching personalities can negatively affect the satisfaction between the co-leaders (Bridbord & DeLucia-Waack, 2011), which consequently affects their co-leadership dynamic. Hence, an important aspect of co-leadership is the dynamics between co-leaders as they run a company. The dynamics in such a team can be described as unconscious and psychological forces that influence the behaviour and performance of the team (Myers, 2013). Thus, the dynamics can both hinder and foster co-leadership. Some researchers claim that it is vital to examine shared leadership as a dynamic phenomenon, as the form of sharing the leadership role may change in a number of ways, over time (Contractor, Dechurch, Carson, Carter, & Keegan, 2012; Drescher, Korsgaard, Welpe, Picot, & Wigand, 2014).

Another factor that further adds complexity to the dynamics of co-leadership is when the co-leaders are simultaneously the founders and owners of the business. Having multiple founders and owners contribute to the sharing of different ideas and perspectives with the aim to determine the best direction for the company. This diversification of ideas could not be realized by having solely one founder (Jain, 2016). Thus having multiple founders as leaders in a company could greatly benefit the organization. However, it has implications for the decision making process, since the stakes are higher. The owners and founders are emotionally and financially bound to the company (Schein, 1983). That is why individuals are likely to prioritize their own interests above the group’s interests. It becomes more complex here, since the decisions need to be made on a collective level rather than an individual one (Hastings, Wong, & Walters, 2006).

Conger and Pearce (2003) state that the shared leadership of co-founders are typically more resilient partnerships, since the founders have chosen each other. However, their success as entrepreneurs does not ensure their success as leaders of a growing and larger business. The co-leadership dynamics could also change over time, due to the leaders developing different interests. A famous example of this is when Steve Wozniak left Apple to Steve Jobs, because they disagreed about their vision for Apple. Specifically concerning the usability and compatibility of the Apple products. Additionally, Steve
Wozniak did not see himself running a big business which contrasted Steve Jobs’ vision (Pearce & Conger, 2003).

As also illustrated by the previous example, start-ups are often run by more than one co-founder, which is why co-leadership has shown a greater importance for start-ups in particular (Ensley, Hmieleski, & Pearce, 2006a; Jain, 2016). According to Watson, Hogarth-Scott, and Wilson (1998) the founders of start-ups are likely to be the owners and also the leaders of the business. It is the initial leaders who set the vision and decide upon the incentives of the organization. The founders must thereby act as leaders, due to the lack of organizational structure that can provide guidance, and the absence of standard procedures (Ensley et al., 2006a). This puts a great emphasis on a functional co-leadership dynamic, as the co-leaders in start-ups do not have any pre-established guidelines for themselves either, in contrast to those who are co-leading in bigger and more mature companies (Ensley, Hmieleski, & Pearce, 2006b). Thus, the co-leadership dynamic in start-ups, with the founders and owners still involved, is an interesting phenomenon on which some light needs to be shed.

1.2 Problem Statement

Co-leadership is a leadership-form which remains undeniably current for today’s companies. The importance of leading in teams is increasing, due to increased competition, globalization and more complex tasks demand skills and experiences that usually more than one individual encompasses (Northouse, 2015). Moreover, Ensley et al. (2006a) argue that “shared leadership appears to be particularly important in the development and growth of new ventures” (p. 228). In order to make co-leadership work, a functional co-leadership dynamic between the leaders is essential. The dynamics determine the level of motivation, which is influenced by factors such as self-development (e.g. by having a leadership role and responsibilities), interaction, relationship conflict, trust, the personalities and competences of the team members (Chen, Sharma, Edinger, Shapiro, & Farh, 2011). It would therefore be a mistake to ignore the dynamics of co-leadership, because it functions as a foundation to support the company (Tan, 2017).

Twenty-three percent of start-ups fail because of a dysfunctioning team and 13 percent of them fail due to disharmony in the team and its investors (CB Insights, 2018). Thus, start-
ups having two or more leaders have an increased incentive to solve their co-leadership dynamic issues as a way of staying in business. A functional co-leadership dynamic is progressive, as it enhances the team performance, innovation, team proactivity and new venture performance (Barnett & Weidenfeller, 2016; Sunaguchi, 2015). It can be complicated for multiple leaders to co-lead a start-up. Especially, when they are simultaneously the founders and owners, which adds complexity to the situation (Ensley et al., 2006a; Jain, 2016). This leads us to the following questions: what is it that influences a functional co-leadership dynamic and how?

There is little research available regarding this topic and therefore, it can be said that research available with a focus on this specific situation is scarce (Drescher et al., 2014; Vine et al., 2008). Further research could expand the knowledge on co-leadership dynamics and help start-ups in creating a functional co-leadership dynamic. This means that the findings of this research could aid in the development of co-leadership dynamics in these new ventures.

1.3 Purpose

The purpose of this thesis is to explore how a functional co-leadership dynamic can be created between leaders who are simultaneously founders and owners of a start-up.

1.4 Thesis Outline

In this thesis we start with explaining and elaborating on the research philosophy and the method of our research. We further describe how we aimed to find the answers to our research questions and how we planned to fulfil the purpose of this thesis. This is followed by Chapter 3, consisting of the theory regarding co-leadership and its dynamics, where also the contexts of entrepreneurship, foundership and ownership are discussed. In our Empirical Findings, which is Chapter 4, we present the results of our qualitative research, and highlight the main elements from our findings. In Chapter 5, we have linked the theory of Chapter 3 to the main findings of Chapter 4 in the Analysis, and in this chapter we conclude our research. This is summarised by a model. In Chapter 6, the final Conclusions are presented, followed by the Contributions, Managerial Implications, Limitations and suggestions for Future Research.
2 Methodology

This chapter focuses on this thesis’ research philosophy, the selected research strategy as well as our approach to collecting primary and secondary data. It further brings up the ethical aspects, and how we worked in order to ensure a high quality of the thesis.

2.1 Research Philosophy

In accordance with Easterby-Smith, Thorpe and Jackson (2015), we believe that by being conscious of the philosophical assumptions, the research quality will reach a higher level. These assumptions also affect the strategy concerning which methods have been chosen for this research (Saunders, Lewis, & Thornhill, 2009). Therefore, our ontological positions and epistemological beliefs will be stated, as a way of making it easy to comprehend the reasoning behind the method selection, data collection and analysis.

2.1.1 Ontology

Ontology has been described as “philosophical assumptions about the nature of reality” (Easterby-Smith et al., 2015, p. 134), meaning that it concerns how individuals perceive the reality. The truth thereby depends on an individual’s perception of it, meaning that also we as researchers have pre-created assumptions about how things function (Saunders et al., 2009). As there are several aspects of ontology, it is useful to mention which position this thesis has adopted. A relativist approach has shown to be the most suitable approach for this research, since the position encompasses that there are many truths, as they depend on the observer’s point of view (Easterby-Smith et al., 2015). By taking this approach, we selected a suitable research method for this study, which resulted in data containing various perspectives and viewpoints. This means that the interviewees expressed their “truths” and opinions, and the answers to certain topics are conveyed differently, depending on the interviewees’ perceived reality.

2.1.2 Epistemology

When the ontology position has been selected, the epistemology can be adopted. Epistemology is more concerned with the “the study of the nature of knowledge and ways of enquiring into the physical and social worlds” (Easterby-Smith et al., 2015, p. 143). It thereby brings up our view of what is suitable knowledge, and how the topic should be
studied (Saunders et al., 2009). The epistemology of this thesis is social constructionism. This philosophy “views the social world as being socially constructed” (Saunders et al., 2009, p. 601). According to Easterby-Smith et al. (2015), this perspective means that there is a social reality which has not been determined by objects, but by individuals. It thereby puts a great emphasis on individuals’ emotions and opinions, which aligns with the purpose of this thesis, as it encourages us to explore underlying emotions and reasoning behind opinions and experiences, which has also been highlighted by Saunders et al. (2009). In particular the view of social constructionism greatly benefited the research of co-leadership dynamics, since it was essential for us to analyse and understand the social reality as it was being perceived by the co-leaders. Another strength of this philosophy is that it evaluates and adjusts to new issues and ideas, and also contributes to a change process over time and to the evolution of new theories (Easterby-Smith et al., 2015).

2.2 Methodological Choice

In order to align with the ontological and epistemological paradigms, we have conducted a qualitative study. One of the most important strengths of qualitative research is that it contributes to the development and evolvement of new theories (Saunders et al., 2009). However, the data collection, analysis and interpretation of the data can take up a great amount of time and it may prove to be a difficult process. Further, qualitative research can be perceived as untidy, because it is built on subjective measures. Because of this, policy makers sometimes give this type of research a low credibility (Easterby-Smith et al., 2015), which we need to take into consideration. In order to improve the credibility of this thesis, we used high amounts of peer-reviewed articles together with practical examples from our research. Furthermore, credibility itself will be discussed in the section concerning research quality.

2.2.1 Abductive Reasoning

In order to match our methodology and our purpose, we used abductive reasoning as our approach on the selection of the primary data collection methods and the research process. This approach proved itself to be more fruitful if the objective of the research is to discover new things, other relationships and other variables (Dubois & Gadde, 2002). This was suitable for this thesis, since the from purpose of this research we wanted to explore how a functional co-leadership dynamic can be created. Subsequently, Kovács
and Spens (2005) argue that abductive reasoning surpasses the limitations of inductive and deductive reasoning. Abductive reasoning requires the researchers to create a learning loop. Firstly, the researchers study and explore the subject, which results in a literature review. Secondly, data is collected from the field, which leads to the next step of “theory matchmaking”. In this process, the observations made in the field are continuously compared to the literature review. The differences, which surface during the matchmaking of the theory and collected data, are then used to suggest new theories, extensions of theories and alterations of theories (Dubois & Gadde, 2002; Kovács & Spens, 2005). The theory matchmaking led to some less relevant literature being removed and new literature being added to the Frame of Reference. Thus, the adjusting of the Frame of Reference was an ongoing process during the gathering and processing of information from the field. By using the abductive approach, the literature contributed to comprehend certain aspects of our research and to recognize deviations in our data collection. In the end, this resulted in the formulation of new theory.

2.3 Research Strategy

2.3.1 Sampling

For the selection of interviewees, we used a purposive sampling method, which goes under the category of non-probability sampling (Easterby-Smith et al., 2015). This means that we created criteria for the companies that we wanted to interview, and then searched and contacted companies that matched these criteria. According to Saunders et al. (2009), a purposive sampling method is suitable when the research is in-depth and focuses on a low number of samples, which fitted the goals of our research well. Based on this approach, some selection criteria were created. We based our criteria on the stated research purpose, and approached companies with the following characteristics:

- Unlisted start-ups, thus privately held;
- Have two or more founders and owners;
- Have two or more individuals in leading positions;
- Have existed for at least a year, but not more than 10 years, in order to fulfil the definition of a start-up as described by Burgel and Murray (2000) and Robehmed (2013). The minimum age requirement was established, because we wanted to ensure that we collected enough information about the co-leadership dynamics.
Through various websites focusing on start-up networks, such as Sciencepark.se, we searched for companies matching the criteria. Subsequently, we also consulted our network to get in contact with start-ups that matched the criteria. We contacted the companies by email, with information about ourselves and what we wished to accomplish with our thesis. A total of 72 companies were contacted of which 10 companies have replied to confirm that they were interested in collaborating with us.

Although most companies have their own websites, the organizational structure was unclear in many cases. Also their history concerning how it was founded was not always mentioned. This was a reason for why so many companies were initially contacted. Furthermore, it affected the content of our initial emails, as well as the number of positive replies we received. The information in the emails was thereby also a way to see if the companies really fulfilled the criteria that had been created.

2.3.1.1 Limitations of Sampling

One significant limitation to our sampling was the fact that it was quite difficult to find companies which fulfilled the research criteria and were willing to be interviewed. This was due to various reasons, such as the co-leaders’ time constraints or unwillingness to share company knowledge and personal experiences, despite being offered anonymity. Moreover, we could not be too demanding in terms of industry, size or location. We did not get to interview as many interviewees as firstly intended, partly due to the previously mentioned reasons, but also because of cancellations and other unexpected events. We do, however, recognise that each interviewed company provided us with useful and relevant data to work with, and we also believe that the purposive sampling method was suitable for this type of sampling.

2.3.2 First-Hand Data Collection

The first-hand data was collected through interviews. Based on the information that was obtained from the Frame of Reference, we have conducted face-to-face, phone and Skype interviews with start-ups who have co-leaders who are the owners and founders of a start-up. These first-hand sources of information provided us with a deeper understanding of the aspects which are relevant when discussing co-leadership dynamics. The interviews were semi-structured, meaning that the interviews were informal but led by a topic guide
(Easterby-Smith et al., 2015). Additionally, the interviewer had in this way the opportunity to identify non-verbal clues, which can contribute to the formulating of secondary questions (Easterby-Smith et al., 2015). Most of the interviews have been conducted with two of the interviewers present. The interviews were recorded in order to ensure the reliability of the information, and all questions were formulated with our purpose and research questions in consideration. Moreover, the Frame of Reference provided us with a base on which we could formulate the questions in the interview guide. The interview guide that has been used during the interviews can be found in Appendix 1.

There were 10 main interviews in total, of which the duration was approximately one hour each. The interviews were mostly conducted with one of the co-leaders present, due to the time restrictions and preferences of the co-leaders. The interviews were conducted through different mediums, according to the preference of the interviewees. These interviews were transcribed. After reviewing the transcribed interviews, we determined whether there was enough relevant information. We then conducted follow-up interviews, in the form of phone and email interviews in order to fill eventual gaps. The transcripts were sent to the interviewees, where after they could agree or disagree to its content. The transcripts were thereby used with their consent. We conducted interviews until we realized we had reached a saturation point in information. The interviews provided us with a holistic and comprehensive understanding of the topic. An overview of the conducted interviews with the companies can be found in Table 1.

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| Table 1 Conducted Interviews |

2.3.2.1 Limitations of Data

From the research done on co-leadership and its other synonyms it is unclear whether they researched listed or unlisted companies, which we suspect could cause slightly different results. Further, the interviews with the companies were conducted in the language of preference, which meant that the interviews were either conducted in Swedish, English or in Dutch. This means that some interviews had only one of the interviewers present. From the recordings, these interviews were translated from Swedish or Dutch to English, in which there could be a minor misalignment in expressed opinions or ideas because of the language used or a misinterpretation of information. However, in order to minimize this risk, the English transcripts were sent to the interviewees and all of the them agreed to the content.

2.3.3 Literature Review

Easterby-Smith et al. (2015) claim that researchers must have a solid knowledge of existing literature in their selected topic when starting a research project. Our aim was thereby to get a clear overview of the topic, but it would also make it easier to identify where literature was scarce. For the collection of relevant literature, multiple search engines and databases where used. Google scholar and the university library proved to be useful search engines for finding suitable articles, and the keywords that were used are
shown in Table 2 which can be found in Appendix 2. Further, by using the articles, we applied the snowballing approach to find other related articles to the subject.

Since we had discovered a lack of literature concerning the specific topic of our purpose, we had to review literature that concerned multiple topics, yet still had high relevance for the thesis. The majority of the reviewed literature was conducted less than 15 years ago, since we found it important that the theories and perspectives were current in order to aid us in the Analysis of the empirical data. However, some theories that were chosen had an older origin, but had been altered and developed and was thereby still relevant. We thereby deemed them appropriate for the literature review. Concerning the type of literature that was included, the majority of the sources came from peer-reviewed journal articles and academic books, as these are perceived to have the highest quality (Easterby-Smith et al., 2015).

Important to mention is that the process of reviewing literature was continuous throughout the process of writing this thesis. A reason for doing this is that the Empirical Findings would create a need to explore new areas in literature, as a way of fully grasping the situation (Easterby-Smith et al., 2015). We also wanted to make sure that the literature review covered all relevant elements to ensure that the Analysis would have depth and be logical.

### 2.4 Method of Analysis

For the Analysis of the collected first-hand data, we selected content analysis as our method. “Content analysis is an approach that aims at drawing systematic inferences from qualitative data that have been structured by a set of ideas or concepts.” (Easterby-Smith et al., 2015, p. 539). Since all of the interviews were transcribed, we looked for recurring ideas, phrases or other similarities in order to find both patterns and differences among the respondents, aligning with the purpose of content analysis (Easterby-Smith et al., 2015). From the Frame of Reference, we deductively created the themes and contexts. Then the transcripts were examined, and relevant information was highlighted and categorized, in order to get an appropriate overview of the data. In our Empirical Findings we structured the information according to the themes and contexts as portrayed in the Frame of Reference. Thereafter, we inductively identified elements under these themes and contexts, which were connected to our research purpose. Finally, the data was
structured and links were drawn to the theory from the Frame of Reference in the Analysis, with the aim of making sense of the complexity of the topic. This resulted in the elements being discovered, which contributed to the formulation of new theory. From this, our final conclusions were created, in which the research questions were answered.

Content analysis was a good fit for us, since even though we conducted the interviews in various ways, they were all transcribed and the data could therefore be compared and analysed simultaneously. An important factor, which is highlighted by Easterby-Smith et al. (2015), is that the content analysis can be used as a way of building new theory, which was also suitable for the purpose of this thesis.

### 2.5 Research Quality

In order to have a solid and in-depth analysis, we had to ensure that the collected data was valuable and legit. Although this thesis is a qualitative research, which means that the data can be obtained in several ways and comes in different forms (Saunders et al., 2009). Moreover, Easterby-Smith et al. (2015) emphasize that this type of study should be systematic. We have thereby examined several ways of obtaining and analysing the data, in order to find the right fit for this thesis, and to make sure that no usable information is excluded or ignored. The quality of the research is also dependent on the research ethics (Saunders et al., 2009), which will be discussed in the next section.

#### 2.5.1 Credibility

In order for the research to be useful, it must have credibility, which refers to the validation of the results (Seale, 2007). Furthermore, readers need a level of transparency in order to perceive the research credible and trustworthy (Easterby-Smith et al., 2015). According to Saunders et al. (2009), credibility is connected to reliability and validity, and argues that these should be considered. These topics will therefore be discussed in the context of our thesis.

#### 2.5.2 Reliability

Reliability is concerned with the findings being consistent (Saunders et al., 2009). Easterby-Smith et al. (2015) further write that reliability for this type of research means that there is a transparency concerning the data collection and the analysis. We have thereby been transparent in how we collected the data and how it was analysed. Also, the
section concerning limitations adds transparency to this research. Moreover, the data from all of the interviews was coded and analysed the same way, which further increases reliability according to Saunders et al. (2009).

There are, however, several obstacles to overcome, in order to make sure that the data is suitable for use (Saunders et al., 2009). Robson (2002) provides four challenges, and they will be discussed with connections drawn to our thesis.

1. Subject or participant error, when the participants provide different answers depending on the situation. In order to avoid this error, we held the interviews when it was the most convenient for the interviewees, as all of them were highly occupied with their companies. This was a way to ensure that the answers were well-thought through, and that the interviewees felt relaxed.

2. Subject or participant bias, meaning that the interviewees provide answers that they believe someone else want them to say. In order to cope with this risk, we provided full anonymity to the respondents, and ensured them that no-one but us would see the full interview-transcript.

3. Observer error, concerning the researcher conducting the interview in a way that reduces the credibility. Even though the interviews were semi-structured, our interview guide helped us to ask questions which were formulated in a suitable way, without any personal values or thoughts.

4. Observer bias, which brings up the fact that the interpretation of the data can differ depending on the person analysing it. It was thereby important for us to go through the data together, in order to gain a collective understanding of it, and to align our thoughts and impressions.

2.5.3 Validity

According to Saunders et al. (2009), validity concerns whether or not the findings “are really about what they appear to be about” (p. 157). Easterby-Smith et al. (2015) also mention that validity concerns that sufficient amounts of perspectives have been included in the data collection and analysis. We ensured this by conducting a sufficient number of interviews, with people from different companies and backgrounds, and noticed that the results we got were comparable. By including companies within the range of 1-10 years of age, we hoped to also avoid validity threats such as the effect of recent historical events (Robson, 2002). Moreover, in the initial and follow-up interviews it became clear that the
respondents shared similar views and opinions, but also that there were unique experiences for each company. We thereby believe that we have fulfilled the criteria for validity, as there was both consistency in the collected data, but at the same time various perspectives and situations were covered. This was also used in the discussion part of the thesis.

2.5.4 Transferability

Transferability concerns if the findings are applicable to other contexts and can aid in improving the trustworthiness of the research (Bryman, Bell, Mills, & Yue, 2011). Easterby-Smith et al. (2015) elaborate on this, claiming that it can be hard for readers to know to which extent the established theories and conclusions from a qualitative study can be transferred to settings which are different from those in the research.

According to Saunders et al. (2009), it is up to the researchers to sufficiently present the findings of their qualitative research, for others to know if it can be applied to other contexts. Bryman et al. (2011) claim that one way to achieve this, is by providing enough detailed information from the Empirical Findings, which will help the readers to understand whether or not they can apply the theories to other settings. Thereby, we agreed to not only describe the situations in the Empirical Findings, but also to include numerous quotes from the interviewees in order to convey their experiences and opinions better. This was a way to bring clarity to their situations.

Also, the connections between theory and research plays a large part, as the current literature and its applications must be discussed together with the new findings from the research in order for readers to determine if the results can be transferred or not (Saunders et al., 2009). We aimed to achieve this through an extensive analysis. Our approach towards the collection of second hand data has been discussed in a previous section.

Moreover, as mentioned by Saunders et al. (2009), by having a solid and well-planned research design, achieving credibility will be easier. However, it also connects to the ethics of the research, which will be discussed in the following section.
### 2.6 Research Ethics

While ethics has been a discussed topic for centuries, its importance is still relevant today, also when conducting this type of research (Easterby-Smith et al., 2015). This aspect was taken into consideration, since ethics play a part in how the research is conducted, and thereby affects the quality of the work in total (Saunders et al., 2009).

For this thesis we decided to have a deontological view on our research. This philosophical view is based on the mindset that “*the ends served by the research can never justify the use of research which is unethical*” (Saunders et al., 2009, p. 184). We thereby decided to do our uttermost to ensure that our methods of collecting data, and ways of analysing it, were ethical. As highlighted by Easterby-Smith et al. (2015), even though this type of research is not physically harmful for any participants, there are still ethical issues that must be taken into consideration. For example, Bell and Bryman (2007) mention that management researchers risk to wrong research participants, which is also an ethical issue that must be handled. It was therefore of great importance for us to evaluate our means of collecting information, as well as our ways of handling it.

Aligning with the opinion of several scholars, we perceived it to be helpful to incorporate a code of ethics, consisting of principles that were selected and followed throughout the thesis process (Saunders et al., 2009). Based on the research by Bell and Bryman (2007), which has thereafter been revised by Easterby-Smith et al. (2015) we decided to follow 10 guidelines concerning research ethics. These principles do not only include the protection of the participants of this research, but they also regard the protection of the research community’s integrity. The principles are written below, directly quoted from Easterby-Smith et al. (2015, p. 357).

1. “*Ensuring that no harm comes to participants.*”
2. “*Respecting the dignity of research participants.*”
3. “*Ensuring a fully informed consent of research participants.*”
4. “*Protecting the privacy of research participants.*”
5. “*Ensuring the confidentiality of research data.*”
6. “*Protecting the anonymity of individuals or organizations.*”
7. “*Avoiding deception about the nature or aims of the research.*”
8. “*Declaration of affiliations, funding sources and conflicts of interest.*”
9. “Honesty and transparency in communicating about the research.”
10. “Avoidance of any misleading or false reporting of research findings.”

These guidelines aligned with our deontological perception of the research process, and we thereby perceived them as suitable for this thesis. Furthermore, the method was designed with the guidelines in mind. Point 1-7 is mainly connected to our interaction with the interviewees. All participants were informed about the research topic and the purpose, and were guaranteed anonymity. Furthermore, we ensured that their companies would not be mentioned by name. Regarding point 8-10, it was important to be transparent about our writing process, as well as to clarify how the data was collected and analysed. We provided all interviewees with an information sheet and a consent form, which was an additional way to ensure that the ethical principles were followed. These two forms can be found in Appendix 3 and 4.
3 Frame of Reference

In the Frame of Reference, we discuss the following themes as identified in literature: Shared Leadership, Co-leadership and Related Concepts, which is followed by the Co-leadership Dynamics. After this, the contextual factors: Start-ups, Foundership and Ownership are discussed. The contexts are discussed in order to create an improved understanding of the particular situation the co-leaders find themselves in.

3.1 Shared Leadership, Co-leadership and Related Concepts

As has been introduced in Chapter 1, shared leadership has many synonyms and related concepts. To start, this sub-chapter covers briefly the history of the subject. The different concepts help create a better understanding of co-leadership. Therefore, this sub-chapter highlights the differences and similarities of the different concepts. In the latter part of the sub-chapter, the positive and negative outcomes of shared leadership are covered.

3.1.1 History

According to Pearce and Conger (2003), traditional leadership is seen as the downwards influence an appointed leader has on his subordinates. Hence the focus of leadership research on the behaviours, mindsets and the actions of a leader in an organization. For many decades, this has been the dominant paradigm in the leadership field. However, in recent years, scholars have been challenging this concept by arguing that leadership is an activity, which can be distributed or shared between members of a group or in organizations. Fletcher and Käufer (2003) describe that shared approaches to leadership question the individual level perspective of traditional leadership. Moreover, they argue that it is focused extensively on top leaders, while it ignores informal leadership, larger situational factors or other arrangements. The first researcher in history who mentioned a similar idea to shared leadership was Mary Parker in 1924. While the early writings on co-leadership arose in the early 1950s. However, this has primarily been related to group theory settings where co-leaders have mentor-protégé relationships (Pearce & Conger, 2003).

In the last 25 years, there has been a rise in the literature related to co-leadership on the top management level; CEO and COO or with company founders (Pearce & Conger,
2003). Pearce and Conger (2003) state that co-leadership is clearly related to the shared leadership concept and it is considered to be a special case of shared leadership. Yet, it is the least researched one among the more common terminology. Other shared leadership related concepts have been researched more extensively (Bolden, 2011; Pearce & Conger, 2003), e.g. collaborative, collective, and distributed leadership. The concepts of shared leadership and distributed leadership are the most noticeable in literature. The discussion of the different concepts of shared leadership contribute in creating a better understanding of co-leadership, since the different concepts are interrelated (Bolden, 2011).

3.1.2 Similarities and Differences between the Concepts

It should be considered that there are similarities and differences between the shared leadership concepts which are important to understand (Bolden, 2011). Pearce and Conger (2003) state that shared leadership occurs when the leadership is distributed between a set of individuals instead of in the hands of one individual who acts as a superior. They further add to this by stating that “shared leadership is a dynamic, interactive influence process among individuals in groups for which the objective is to lead one another to the achievement of group or organizational goals or both” (p. 1). This definition is what all the concepts can relate to. Moreover, according to Bolden (2011), findings give an indication that the concepts have common theoretical bases. However, Leithwood, Day, Sammons, Harris, and Hopkins (2006) state that this overlap does not mean that the concepts are equal and similar, or that everybody is considered to be a leader in these concepts. The relative usage of the different concepts has varied over time and is influenced by countries and industries. To highlight and understand the differences, Jackson and Parry (2008) suggest that the various concepts should be viewed along a continuum. For this reason, we created Figure 1, which is based on the literature of shared leadership and its related concepts.

At the more traditional end of this continuum is collaborative leadership. Archer (2013) states that in the heart of collaborative leadership, is a challenge for leaders to manage and deliver results in collaboration with others across boundaries. This concept puts more the emphasis on the leaders’ interdependence on their external environment, next to their formal role as a traditional leader in the company. Archer (2013) argues that it concerns certain leadership that is required to get results across (organizational) boundaries. According to Pearce and Conger (2003), a concept that provided another theoretical base
for the overall shared leadership concept is emergent leadership. Emergent leadership describes the situation where a leader emerges from a leaderless group. As researched by Bales (1950) and Hollander (1961) important behaviours for a leader, to get selected, are task-focused (skills and competences related to coordination of a team’s tasks and goals) and relational behaviours (skills related to building trust). The theory of emergent leadership highlights that in situations where the leadership is shared, certain individuals stand out by portraying either task or social-oriented competences. The first leaders to emerge are task-oriented, followed by the ones portraying social behaviours (Contractor et al., 2012).

This is followed by co-leadership, since this is more related to the traditional view of leadership. Heenan and Bennis (1999) define co-leadership as two leaders, who are in vertically contiguous positions, that share the responsibilities of leadership. This definition is the closest related to the purpose of this study. Co-leadership is thereby a useful way of distributing leadership responsibilities. A synonym for co-leadership is provided by Wilhelmson (2006), namely: joint leadership. The term joint leadership defines “situations where two persons in both formal and practical terms share work tasks, responsibility and authority, as well as sharing the same managerial position” (p. 495). However, this term has not been not widely used. Co-leadership recognizes that leadership can be shared by two or more individuals, as for instance members of the top management team and co-founders (Pearce & Conger, 2003). Additionally, co-leadership encompasses and acknowledges the relevance of hierarchical authority and collaboration (Vine et al., 2008).

Further onward the continuum, where the leadership is more dispersed, is shared leadership. Shared leadership acknowledges that the leadership role can be shared and rotated in a group. This is then depending on the situation’s demands together with the skills and resources which are required (Raelin, 2003). The shared leadership concept partially contrasts the traditional view of leadership, since shared leadership assumes that all the members can exercise leadership (Sunaguchi, 2015).
The theory of shared leadership has an overlap with what is written about the concepts of collective, collaborative and distributed leadership. Additionally, several authors refer to them as synonyms for shared leadership (Bolden, 2011; Contractor et al., 2012). Since the mid-1990s, collective and collaborative leadership have received ongoing interest (Bolden, 2011). Collective leadership is described by Hiller, Day, and Vance (2006) as “the epicentre of collective leadership is not the role of a formal leader, but the interaction of team members to lead the team by sharing in leadership responsibilities” (p. 388). In distributed leadership, the team leads the work collectively and independent from formal leaders. They do this by creating norms of behaviour, performance and contribution and they support each other and maintain the group’s morale (Bolden, 2011; Gronn, 2002; Nielsen, 2011; Vine et al., 2008). According to Vine et al. (2008), distributed leadership theory tends to be more normative than it is descriptive. The theory describes more what the ideal situation is rather than how things necessarily are.

### 3.1.3 Positive and Negative Outcomes of Shared Leadership

Each of the concepts emphasize the need for a collective and methodical understanding of leadership and the need to understand it as a social process (Barker, 2001; Bolden, 2011; Hosking, 1988). Researchers have found that the distribution of leadership has a positive effect on organizational development and change (Harris, 2008; Leithwood, Mascall & Strauss, 2009). Further, the collaboration at top management level improves the effectiveness of organizational partnership (Huxham & Vangen, 2000). Additionally, researchers found a positive relation with shared leadership and group effectiveness (Drescher et al., 2014; Hiller et al., 2006; Pearce & Sims, 2002). According to Vine et al. (2008), this is because it allows the managers to pay attention to different aspects of their managerial tasks, including both the day-to-day activities and the long-term strategy of the company. Wang, Waldman and Zhang (2014) add to this by stating that leadership in
teams has a higher effectiveness when the leadership style is more modern, for instance with transformational or charismatic elements, rather than the traditional approach.

Interestingly, posited by scholars is that shared leadership positively impacts group member’s relationships (Bergman, Rentsch, Small, Davenport, & Bergman, 2012) and attitudes (Hoch & Dulebohn, 2013), which improves the cooperation and effectiveness of their work. According to Wilhelmson (2006), the sharing of leadership impacts the leaders’ personal development through the processes which are profoundly linked to the interaction between the leaders. Co-leadership, when working well, creates the possibility of a deepened learning process. This is because the sharing of values and ways of acting are regularly and critically reflected upon by the co-leaders. Additionally, Wilhelmson (2006) claims that there is a necessity for common values, since it allows the leaders to work towards common goals and he stresses the importance of finding the right partner. Another advantage he mentions, is the support the leaders provide one other with in handling crisis and when going through difficult times. But also, the joy in the daily work functions as a driving force. He concludes that in order to have this transformative learning process from co-leadership, it is necessary to have trust, mutual exchange of feedback, openness, equal power and complementary interests and competences.

However, the sharing of leadership also brings along negative aspects to consider (Huxham & Vangen, 2000). As Bridbord and DeLucia-Waack (2011) argue, there are multiple opinions and perspectives that have to be taken into account and these need to be considered in the decision-making processes. Further, managers need to be able to manage their egos: can they step aside and let others take the bow? Are they able to share the credit for a job well done? And take responsibility for when it is not? (O’Toole, Galbraith, & Lawler, 2003). Furthermore, the satisfaction between the co-leadership can be negatively affected when there is a lack of experience, mismatching personalities, mismanaged egos, lack of trust, poor communication or when there is no shared vision for the company (Bridbord & DeLucia-Waack, 2011; Pearce & Conger, 2003). Bolden (2011) also states that there has been evidence that suggests that the distribution of leadership can negatively affect the team performance. This includes the (informal) diffusion of responsibility (Heinicke & Bales, 1953; Harris, 2008); a decreased sense of security and stability (Melnick, 1982); issues with boundary management; competing leadership styles; and conflicting targets, priorities, and time frames (Storey, 2004).
Finally, co-leadership has proven that it can benefit the effectiveness of a group (Drescher et al., 2014; Hiller et al., 2006; Pearce & Sims, 2002), since the sharing and diversification of ideas and experience can strengthen the foundation of the company (Tan, 2017). Further, it aids in setting a better strategic direction for the company (Vine et al., 2008). Co-leadership also has its downsides, because multiple opinions and ideas need to be taken into account. The diversification of people in co-leadership brings along different aspects to consider that influence the dynamics. In the next sub-chapter, we look into the different themes of the co-leadership dynamics.

### 3.2 Co-leadership Dynamics

As mentioned in Chapter 1, the co-leadership dynamics determine the level of motivation and it functions as a foundation to support the company (Chen et al., 2011; Tan, 2017). Research and theory suggest that the shared leadership practices continuously develop over time (Contractor et al., 2012; Drescher et al., 2014). The co-leadership dynamics consist of the following themes: the leaders’ competences and traits, trust, role division (leadership roles and responsibilities), communication, and conflict management (Chen et al., 2011). These are the themes which are discussed in this sub-chapter.

#### 3.2.1 Time

Pearce and Conger (2003) provide several examples of shared leadership which have started successfully but ended in failure, and highlights that the efficiency of having shared leadership can both increase and decrease over time. Thereby it is relevant to include the aspect of time, and how it can affect the dynamics where shared leadership is implemented. Moreover, Acar (2010) mentions how time can be an important factor for group functioning, and states that together with other factors such as diversity, it indicates and explains how emotional conflicts may occur. Additionally, it takes time to form a relationship, to let go of prestige-mindedness, to have trust and become confident in each other, and to develop common values (Wilhelmson, 2006).

Timing concerning when it is suitable to implement co-leadership has also been discussed in literature. Pearce and Conger (2003) suggest that shared leadership is necessary when one leading individual is not enough, in terms of available skillsets and competences. Furthermore, the authors claim that the goal of shared leadership should be that the co-
leading individuals are complementing each other, and thereby encourages continuous evaluations of the co-leadership efficiency. This indicates that changes in a company and its situation, can both facilitate and discourage the utilization of co-leadership. This is further emphasized by Sunaguchi (2015), who claims there are several mechanisms that can either increase or decrease the extent to which shared leadership is needed. Furthermore, time also has an impact on the forming of a co-leadership structure. Sunaguchi (2015) reviewed a study conducted by Berkowitz (1953) which concluded that “when the urgency of situation was low, members in a group were likely to share leadership among them” (p. 203). The study moreover suggested that in times of urgency, one sole leader was preferred (Berkowitz, 1953; Sunaguchi, 2015).

The research conducted by Burke, Fiore, and Salas (2003) suggests that the more group members who are practicing shared leadership and share their mental models of the situation, the more they tend to engage in shared leadership. Therefore, it can be concluded that, as they develop routines and shared knowledge over time, the sharing of leadership is likely to increase (Kozlowski & Chao, 2012). However, other research suggests that when a group experiences times of crises or disadvantageous environmental demands, the leadership responsibilities might be restricted or decrease over time (Staw, Sandelands, & Dutton, 1981). Thus, it can be said that shared leadership could increase, decrease or stabilize over time.

However, this raises the question concerning how co-leaders can ensure that their leadership structure provides value over time. Literature provides various suggestions for this. Raelin (2018) claims that in order for co-leadership to be sustained over time, each individual must acknowledge everyone’s viewpoints, and also see the bigger picture. The author further states that co-leadership provides an opportunity of growth for the individuals within the leadership, and also puts an emphasis on a dynamic where discussions are encouraged, and that the different strengths are recognised. Pearce and Conger (2003) describe leadership itself as a process of shared social influence, which means that also co-leadership and its dynamics is ongoing.

To conclude, the literature claims that time provides co-leaders with the opportunity to grow. Also, it states that co-leadership can be both established and ended over time, depending on the context. This means that a functioning co-leadership dynamic can both
be achieved in the future, and ended when not being useful anymore, and stresses the importance of continuous evaluations of the co-leadership and its dynamics. Interestingly, parts of the literature mention personality traits and competences, which affect the timing for implementing co-leadership, but that also helps the co-leadership to sustain for a longer period of time. This will therefore be discussed more extensively in the next section.

3.2.2 Leaders’ Competences and Traits

For the analysis of our research, it is of interest to see if there are any specific competences or traits that help facilitate the dynamics between the leaders, and how these are obtained. Before the collaboration has even started, Gauthier (2006) mentions that it can be helpful for individuals who intend to co-lead, to clarify their intentions, attitudes and strategies in order to get an overview of how the dynamic will be. This is also a way to make sure that everyone within the group is aware of the overall goals and vision.

However, regarding suitable leadership attributes, Raelin (2018) claims that these will be learned and refined during the process, and are “acquired from the activities, and oftentimes instant improvisations, that arise in the work itself” (p. 63), since the individuals need a natural context for the learning. The author thereby claims that there is no need for specific previous leadership skills of people that are co-leaders. This is also highlighted by Pearce and Conger (2003), who claim that co-leadership itself is not concerned with any exact skills or tasks. Hoch (2013), however, puts an emphasis on integrity, meaning that trust is a major factor, when there are two or more individuals working together. Morgeson, De Rue and Karam (2010) claim that the focus should be on the individual’s ability to perform the tasks that are expected from the team as a whole. This further brings out that the necessary skills and traits depend on the context, such as the goal of the co-leadership.

When discussing the development of a co-leadership team, Raelin (2018) argues that the development of collective leadership is different from regular leadership development, since co-leadership must put a greater emphasis on collaborations in terms of developing its overall capacity. This also aligns with the viewpoint of Morgeson et al. (2010). Raelin (2018) thereby puts an emphasis on collective learning, and this supports the findings of Wang, Han, Fisher and Pan (2017). They conducted research on teams engaged in
learning behaviour already from start and found out that this would make their leadership structure more stable.

These findings in literature then lead to the issue of how to acquire or develop the necessary skills in order to be able to collaborate and create a dynamic which is both sustainable and adds value to the co-leadership. Gauthier (2006) emphasizes practice in various areas connected to collaboration such as listening and coaching. However, as Raelin (2018) previously suggested, real life situations provide suitable opportunities for the development of leadership traits that are necessary. A challenge presented by Wang et al. (2017) is that the learning behaviour tends to decrease when norms and guidelines have been established. In the context of start-up companies, this would mean that in the first years of running the company, the co-leaders would make sure to gain knowledge on how to run the business and how to collaborate, but as time goes, this behaviour would diminish. When comparing this challenge to the findings of Gauthier (2006) and Raelin (2018), it demonstrates the dangers of co-leaders who stop being attentive.

To conclude, the literature concerning skills and traits of co-leaders is quite unanimous, suggesting that it depends on the situation and the co-leaders’ overall objective. Moreover, continuous learning and development is encouraged, with a focus on collective thinking and acting. Integrity and being attentive has been mentioned as a suitable trait for team-members, because it contributes to establishing trust. Therefore, this will be discussed in the next section.

### 3.2.3 Trust

When shared leadership evolves and develops over time, it could encourage the development of social processes and structures that facilitate group effectiveness (Drescher et al., 2014). Researchers suggest that shared leadership could be beneficial for the performance, this is a proposition that has support from some empirical studies, e.g. Wang et al. (2014). Researchers argue that building trust between the group members is a way through which the changes in shared leadership can aid performance (Bligh, Pearce, & Kohles, 2006). Trust is defined by Mayer, Davis, and Schoorman (1995) as: “the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party” (p. 712). This emphasizes
that this definition is suitable for a relationship with another party that is perceived to react and act with willingness toward the trustor.

Mayer et al. (1995) proposed a model of trust and its components. This model can be found in Figure 2. Their definition of trust stresses that the aspect of vulnerability implies that there is something important that can be lost. Since making yourself vulnerable, means that you are exposing yourself to risk. The propensity to trust relates to the willingness of the trustor to trust. The outcomes then, in turn, influence the perceived trustworthiness of the individual. An increase in shared leadership is an indication that the members of the group are willing to share influence and accept the other’s influence (Aime, Humphrey, Derue, & Paul, 2014). This provides the group with opportunities to build trust (Bergman, et al., 2012).

On the contrary, a decrease in shared leadership involves a contraction of control and influence, which reduces the opportunities to build trust. Additionally, it could possibly undermine trust. Trust enables the fostering of cooperation, which is necessary for collective processes (Ferrin, Bligh, & Kohles, 2008). Therefore, it is suggested that the changes in trust are a critical mechanism by which the increase of shared leadership leads to the increase of performance. It is suggested by scholars that both group trust (De Jong & Elfring, 2010) and shared leadership (Aime et al., 2014) are developing and evolving over time. According to Drescher et al. (2014), this is because the trust in a group and shared leadership are developed from interpersonal interactions, which requires time.
Wilhelmson (2006) confirms this and adds that the leaders examine each other’s work on a regular basis. For them to question each other, requires mutual respect and they need to be able to provide and give feedback and critique. If the leaders do not choose each other, it becomes more complicated to develop mutual trust and shared values.

Group trust is one of the proposed benefits of shared leadership (Bligh et al., 2006; Hoch & Kozlowski, 2012). According to De Jong and Dirks (2012) it is a predictor that is important in order to determine group success. Sharing the leadership creates a positive social exchange between the group members. Through these exchanges, the group members exercise influence over one another and the other group members accept this influence (Aime et al., 2014). With the help of these kind of exchanges, the group members get the opportunity to demonstrate how trustworthy they are and, by accepting each other’s influence, they signal that they can trust one another (Vandewaerde, Voordecker, Lambrechts, & Bammens, 2011). Furthermore, trust increases the overall effort that individuals apply when doing group tasks. It also increases the degree to which the individuals cooperate in achieving collective goals (McEvily, Perrone, & Zaheer, 2003). Another benefit is that there is less time spend on monitoring each other (Langfred, 2004), which then frees up effort, time and attention for other activities (McEvily et al., 2003), e.g. improve performance and work processes. According to Drescher et al. (2014), performance improvements are therefore a result of the interplay that takes place between trust and shared leadership.

To conclude, the importance of trust in the sharing of leadership is undeniable. Trust between the co-leaders is essential when it comes to task distribution. Since, as stated in the previous paragraph, it saves time on the monitoring of one another’s activities (Langfred, 2004). This leads to the next section, where will be elaborated on the role division in shared leadership constructs.

### 3.2.4 Role Division

In organizational contexts, leaders focus on different aspects of leadership depending on the specific situation in which the company operates. This is further influenced by the process of dynamic interplay which takes place between the co-leaders (Vine et al., 2008). Bolden (2011) argues that the distribution of leadership is not necessarily beneficial, but more the way how the leadership is distributed. It puts an emphasis on the personal traits
and competences of the individual leaders as discussed in previous sections. In the early stages when a start-up is operating, the group members are focused on the development of structures and processes that fall into social and task-related skills (Drescher et al., 2014). The social aspects of the group development include the development of the social structure which enables coordination and cooperation (Crawford & LePine, 2013). The task-related aspects of this group development involve the bringing in and sharing of skills and knowledge that are involved in order to carry out the task work of the group.

As mentioned in Chapter 3.2.1 on Time, shared leadership develops and increases over time as they acquire more complex skills and habits, this also has an impact on the best possible role division in the company. The emphasis on leadership functions does not automatically mean that all the members of the group act as leaders, but they adopt different leadership functions (Hoch & Kozlowski, 2014). This is confirmed by empirical research done by Aime et al. (2014), who suggest that the group members assume certain and diverse leadership roles due to the task demands.

There are different ways of distributing the leadership roles. In his article, Bolden (2011, p. 258) collected different frameworks for distributed leadership as defined by different authors. One of the significant frameworks was created by Leithwood et al. (2006). Leithwood et al. (2006) distinguish between four different kind of alignments. First, *planful alignment*, where after consultation, responsibilities and resources are voluntarily distributed to the individuals that are best placed to lead a certain task or function. Second, *spontaneous alignment*, where the leadership functions and tasks are distributed without planning. These are intuitive and tacit decisions about who is suitable for particular leadership functions and this results in a fortuitous alignment of the functions across leadership activities. Third, *spontaneous misalignment*, where leadership is distributed in an unplanned manner, like the second one. However, in this case the result is less fortuitous, and the leadership activities are misaligned. Fourth, *anarchic misalignment*, in here leaders pursue their own goals in an independent manner and there is an active rejection of the influence of the other organizational leaders in their sphere of influence.

To conclude, the way how the role division in a start-up is arranged can have a significant impact on the company (Bolden, 2011). As for the division of roles, it is important to consider the communicative aspect of the co-leaders operating in a company. The next section will elaborate on why communication plays such an essential role.
3.2.5 Communication

Pearce and Conger (2003) claim that communication is one of the factors which determine if shared leadership will be successful or not. Wilhelmson (2006) adds to this by stating that having someone who is always equally interested in talking about the business is seen as an advantage. Further, he claims that ongoing communication appeared to be the tool for problem solving and resolution of difficulties. However, most literature concerning leadership communication has been focused on how a leader influences its followers, and not how co-leaders communicate and interact with each other (Kramer & Crespy, 2011). Furthermore, Vine et al. (2008) claim that co-leadership communication has been under-researched. It is claimed to be different from traditional leadership communication, due to the power structures and hierarchical differences when there is more than one leader (Kramer & Crespy, 2011). Moreover, Vine et al. (2008) state that in co-leadership, “initiatives and responses flow back and forth rather than always proceeding downwards as in more traditional models of leadership” (p. 354), meaning that the vertical hierarchy plays a significant role in how co-leaders communicate.

Bergman et al. (2012) underline that it is not uncommon that co-leaders have different leadership styles with varying structuring behaviours, meaning that they need to communicate with each other in order to coordinate and make unanimous decisions. Farmer, Slater and Wright (1998) highlight how communication can be a way for a company to achieve a shared vision, for example through formulating common goals. Drescher et al. (2014) further add that sharing information is an important part of solving problems within shared leadership. Substantial communication can thereby be seen as a criterion for positive collaboration between co-leaders. According to Kramer and Crespy (2011), having a true collaborative culture starts with the leaders adopting a collaborative philosophy, meaning that their mindset is open for co-creating with other individuals. Figure 3 illustrates the stages for creating a collaborative culture, which is initiated by a leader.
However, in order for the process described in this model to be successful, all co-leaders have to be similar in terms of their philosophy. Also, O’toole et al. (2003) argue that co-leaders risk to step on each other’s toes if the communication is failing.

This brings up the concern of how to improve the communication between co-leaders. While communication between only two co-leaders often happens spontaneously, having more individuals would make it more complex (O’toole et al., 2003). Vine et al. (2008) suggest that both formal and informal communication play an important role, and encourages leaders to create opportunities for conversations. The authors also emphasize that leadership is an ongoing process, which also suggests that continuous communication is good for both leaders and employees. Klann (2004) adds to this by claiming that obstacles to a good collaboration should be removed, thereby communication barriers should be identified and handled. Furthermore, meetings and social gatherings that concerns both serious and non-serious topics can be a way to improve the overall communication (Kann, 2004). The literature thereby states that communication should be heterogeneous, both in structure and regarding topics.
Communication also raises concerns connected directly to co-leadership, since it is a part of the interaction between leaders. Not only is it used for information sharing, but Drescher et al. (2014) also highlight that this interaction also concerns influencing each other and holding people accountable. The communication can thereby be used as a way of affecting the power-structures between co-leaders, and risk to cause conflicts and damage the co-leadership trust (O’toole et al., 2003). Since conflict management has shown to be an important factor in the dynamics between leaders, the next section will focus on the topic of conflict management.

### 3.2.6 Conflict Management

Conflicts often occur when tasks and responsibilities are shared between two or more individuals (Bradford, 1998). Moreover, conflicts that are not being successfully managed risk to escalate and severely damage long-term relationships (Bojeun, 2014). There are several ways conflicts can occur, such as through degrading treatment or the use of harsh words. However, Bojeun (2014) highlights that also more subtle behaviours that can cause conflicts, for example when avoiding necessary conversations. Furthermore, Bradford (1998) mentions that conflicts can also occur due to power-related issues, for example unequal company influence.

But some scholars claim that conflicts are not automatically negative (Bojeun, 2014; Bradford, 1998). Bojeun (2014) brings up the term positive conflicts, appearing when there is a respectful climate allowing for different opinions to be considered. Bradford (1998) describes this as a release of energy, which allows the company to move forward. According to Bojeun (2014), these positive conflicts can lead to more innovations and a higher level of creativity, and when managed correctly, they can also improve the relationships between individuals. Thereby individuals are facing a so-called Conflict Path, as can be seen in Figure 4, which is initiated when an event has occurred or a specific issue has been identified. According to Bojeun (2014), the actions following this point, determine whether or not the conflict will escalate.
It has thereby been stated that a functioning conflict management system is not only a suitable way to handle tension in a company, but it is a necessity if the company wants to avoid a conflict escalating into a crisis (Bojeun, 2014).

Concerning how to solve conflicts, there is a variety of methods for how to proceed. Limbare (2012) places these methods in two main categories: avoiding or approaching the conflict. While the former is mainly focused on minimizing the significance of the conflict, or attempting to avoid the conflict with either confusion or distractions, the latter category puts an emphasis on confrontation and to find a more long-term solution. Bojeun (2014) argues that the most efficient technique is to collaborate, meaning that the disagreeing individuals collaborate into finding a solution. This is different from compromising, as it encompasses that the opposing parties are working together in order for the matter to resolve, rather than just meet halfway. This technique would thereby categorize as an approach style. This method has also been mentioned by Pearce and Conger (2003), who calls it constructive confrontation.
The research of Limbare (2012) suggests that executives’ leadership style and conflict management are connected. A majority of the executives that participated in the research were interested in having a harmonious atmosphere in the company. However, these individuals mostly used an avoiding conflict management technique. This shows that leaders do not necessary know how to handle conflicts, with the long-lasting harmony in mind. Moreover Hendel, Fish, and Galon (2005) write that “leadership style and choice of conflict management strategies may strongly influence outcomes of a conflict” (p. 138). This means that not only is the conflict management an important factor, but the leadership style itself can have a great impact on the potential conflict resolution. Bradford (1998) highlights that regardless of conflict management style, it is important for leaders to remember the positive outcomes that conflicts can have and have these in mind when approaching them.

### 3.3 Contexts

As the themes of co-leadership dynamics are now explored, the contextual factors are treated in this sub-chapter. First, the context of Start-ups and Entrepreneurship are covered, this is followed by Foundership and Ownership.

#### 3.3.1 Start-ups and Entrepreneurship

Start-ups provide the setting for where the co-leaders of this research operate, and it is therefore vital to understand the basics of start-ups and entrepreneurship in order to gain a complete understanding of the Analysis and Conclusion in the later chapters. Thereby, literature concerning start-ups and entrepreneurship has been reviewed.

##### 3.3.1.1 Start-ups

Literature provides several definitions of start-ups. A start-up can be described as an entrepreneurial venture that is typically a newly founded and fast-growing business which aims to fulfil a need in the marketplace by developing a business model around a product, process or service (Katila, Chen, & Piezunka, 2012; Robehmed, 2013). Another definition, provided by Burgel and Murray (2000) is a company that is legally independent, and not older than 10 years. These definitions put an emphasis on the age of this company, and to some extent its characteristics, but says little or nothing about how a start-up is operating. Several authors have tried to point out success factors for start-
ups, but the literature is ambiguous concerning this (Cole & Sokolyk, 2017). Regarding the occurrence of start-ups, OECD (2017) claims that there has been an increase in the creation of new firms in the last years, in most OECD countries.

Concerning funding, approximately 80 percent of the start-ups have shown to be self-funded, and only one percent get a majority of their funding from Venture Capital firms (Go-Globe, 2017; OECD, 2017). There are other ways to obtain funds, such as through bringing in investors or crowdfunding. However, authors such as Clifford (2016) emphasize that entrepreneurs should carefully consider such decisions first, to see if these types of external investors align with the vision of the entrepreneurs. The issue is further complicated by the fact that start-ups that do not have enough funds to start with, risk to grow slowly or be extra vulnerable (Atherton, 2012).

3.3.1.2 Entrepreneurs

Several scholars mention the connection between entrepreneurs’ identity and its effect on their start-ups (Sieger, Gruber, Fauchart & Zellweger, 2016; Fauchart & Gruber, 2011). Since the management of a start-up is closely connected to the entrepreneurs’ own identity, it can thereby be seen as an expression of themselves (Sieger et al., 2016).

According to Sieger et al. (2016), those who start a firm “”have the freedom to pursue the types of opportunities that match their own preferences, choose the way in which they want to exploit their opportunities, and pursue the goals they have set for themselves”” (p. 544). This means that they shape and form the company based upon their own identity, creating a reflection of themselves in their company. However, they do not mention other important individuals. Edelman, Manolova, Shirokova and Tsukanova (2016) state that it is a common myth that those who found start-ups are doing so completely alone. While there might only be one founder of a start-up, the authors claim that there usually is a web of relationships surrounding the entrepreneur, which can provide help and guidance when it is needed. Some scholars even claim that the surrounding relationships have a bigger impact on a start-up’s identity than the characteristics of a single leader (Laari-Salmela, Mainela, & Puhakka, 2017). This also aligns with the opinions of Woods (2011), who calls this creation a ‘support network’. Engel, Kaandorp and Elfring (2017) further mention how an increasing or reinforced network can aid the entrepreneurs in the creation and discovery of new business opportunities. But leaning on relationships can also have
negative consequences for start-ups. When these strong connections are broken, there is a risk that this creates an identity crisis for the company (Laari-Salmela et al., 2017).

While entrepreneurship tends to involve a higher independency and autonomy than more traditional professions, there are both positive and negative consequences to this occupation. Feelings of happiness and excitement have shown to also be joined with high levels of stress and coping with uncertainty (Patzelt & Shepherd, 2011). Uy, Foo and Song (2013) highlight that entrepreneurs are encountering risks, excessive working hours, and ambiguity concerning both incomes and outcome. Moreover, as highlighted by Cacciotti, Hayton, Mitchell and Giazitzoglu (2016), the fear of failure can be a large barrier to initiating entrepreneurial activities, but also to the entrepreneur utilizing his or her full potential.

As for the ability for entrepreneurs to handle the stress that their profession encompasses, the research of Uy et al. (2013) suggest that entrepreneurs with prior experience of entrepreneurship tends to cope better with the stressful moments in their new venture, which according to the authors leads to has a better psychological well-being. Lazear (2005), however, claims that entrepreneurs in general are more balanced individuals, which in that case would disagree with the previous scholars.

The literature concerning entrepreneurship thereby emphasizes that the profession can create both positive and negative emotions, and suggests that the psychological well-being is improved when the entrepreneurs have more experience and have learned how to cope with the stress.

### 3.3.2 Foundership and Ownership

This sub-chapter covers the contexts of foundership and ownership in which the co-leaders are operating in. This influences the relationship that the co-leaders have with the company and with each other, and thereby it is important to understand the literature behind these two topics. This sub-chapter covers how founders and owners influence the company, how they differ from professional managers and the ownership structure is discussed last.
3.3.2.1 Founder’s and Owner’s Influence on the Company

Entrepreneurship has as one of its most exceptional characteristics that individuals have the opportunity and the freedom to pursue their goals and desires in the creation of a new firm (Fauchart & Gruber, 2011). Schein (1983) describes how the history of a firm normally develops and which essential steps it undertakes: firstly, a person (or multiple) have an idea for a company. Secondly, they form a founding group, which is based on a consensus that the idea is a viable one. Thirdly, the founding group starts obtaining the resources and planning for the company; obtaining funding, patents, incorporating and more. Lastly, other people are brought into the founding group, according to what the founding groups assesses to be important and suitable for the company.

This correlates with what Cardon, Wincent, Singh, and Drnovsek (2009) state concerning that entrepreneurial activities are an expression of the concept of self or the individual’s identity. They refer to the fact that the individuals have preferences for specific roles in the process, since these roles have a deeper meaning for them. The characteristics and experience of the founders strongly affect their organizations. The individual’s identity draws on the role identity theory (Fauchart & Gruber, 2011). Stets and Burke (2000) explain the role identity theory as follows: people are tied to their groups due to their social identities, and their social identities are formed through their role identities in groups (e.g. by their social motivations, self-evaluation, and the views of relevant reference groups).

The social aspects of a founder’s identity and self-concept are important, because the creation of a firm is an intrinsically social activity, and in fact, organizations are social constructions. The reason why the founder’s identity has a relatively strong effect on emerging organizations, is because the organizational decisions are made by the founders and because the organizations are yet to be formed (Fauchart & Gruber, 2011; Whetten & Mackey, 2002). Ultimately, this contributes to the organizational identity, which is described by Albert and Whetten (1985) as the most central, lasting and distinctive about a company.

Furthermore, the founders are ultimately the creator of an organizational culture. Indubitably, the organizational culture depends on the existence of a definable organization, which includes the people interacting with one another and the fulfilment
of goals. Nevertheless, the founders create the group, and by force of their personalities, attitudes and values, shape the culture of the group. Founders tend to start often with a theory on how to succeed. In a group setting, this arises from the consensus that is reached in the group, which is based on how they view things (Schein, 1983).

Owners and founders have a different relationship to the company than professional managers have. According to Schein (1983), owners and founders are oriented on the long-term survival of the company and they are loyal to the company and its individual members, while professional managers are oriented towards the short-range time horizon and they have less ties to the company. For this reason they are also less loyal to the organization. This is also influenced by them being less emotionally and financially involved in the organization. More of these differences are laid out in Table 3, which can be found in Appendix 5.

3.3.2.2 Founder Ownership

Additional to founder ownership, the extent to which ownership is divided or concentrated can affect the owners’ influence (Boeker & Karichalil, 2002). When the ownership of a company is quite concentrated, the owners are more likely to exert a tight and proactive control on the company. Ownership can result in managers acting opportunistically and they may try to safeguard their position and power from new managers entering the business (Williamson, 1975). According to Hellman and Wasserman (2011), an equal division of founder equity should not happen in a standard neoclassical framework, since the likelihood that all the founders in a team are identical is incredibly small. However, research suggests that founders may have a preference for an equal division of shares (Dawes, Fowler, Johnson, McElreath, & Smirnov, 2007; Fehr & Schmidt, 2006). The participation by the founders on the board of directors and through share ownership are important sources of influence and power of the founders. This is because it permits them to protect their positions in the new venture as it evolves (Boeker & Karichalil, 2002).

The previous sub-chapters had the intention to shine some light on the particular situation the co-leaders are in. Being a founder and owner of the company means that the stakes are higher, since the leaders are more closely involved with the company and its prosperity (Schein, 1983), which influences the co-leadership dynamics. As hereby the
different contexts in which the co-leadership dynamics take place are explored, this concludes our Frame of Reference. The results of our empirical study are treated in the following chapter.
4 Empirical Findings

This chapter is dedicated to the presentation of our Empirical Findings. The Empirical Findings are presented under the themes and contexts as treated in the Frame of Reference, with no personal opinions of the researchers. In the themes and contexts in the Findings, the most prominent elements are highlighted in the concluding parts, and these are summarized in the Empirical Conclusion. As we have ensured full anonymity to all interviewees and companies, their real names will not be unveiled. However, a brief description of each company has been conducted, and can be found in Appendix 6.

4.1 Co-leadership Dynamics

4.1.1 Time

Time showed to impact the co-leadership dynamics in several ways and was by most interviewees expressed to be a positive influence.

However, when first co-leading the company, it was hard for several of the leaders to collaborate. For company A, the collaboration was described by A1 as “kind of hard in the beginning”, due to the fact that they had very different personality types. Also B1 mentioned this by stating: “it is not smooth sailing all the time. Especially not in the beginning and when people start to get to know each other. It is not smooth sailing. It is hard work to agree”. This improved over time, as the co-leaders continued to work closely together. A similar situation occurred in company G, as G1 stated that he had to change his behaviour to some extent, and sometimes had to “take a step back”.

This links to personal growth, which was another subject that was brought up in connection with time. Respondent B1 put an emphasis on that everyone within the company needed time to learn and grow, in order to reach their full capability. The learning aspect was also mentioned by C1 and C2, who stated that they have learned several things about themselves and their collaboration over time. In the case of company B, it was highlighted that it took time for the co-founders to realise their full capabilities, and to gain the confidence to act upon their goals. The respondent claimed that this was one of the greatest challenges they faced.
Also, the attitude towards changes in times was a recurring topic. J1 stated that: “there are things about the co-leadership dynamics that could not be anticipated beforehand”, and furthermore stressed the importance of having a positive attitude towards changes.

But the dynamics between the co-leaders did not always form when the company was just founded, since several of them had known each other several years in advance. In the case of company E, the two co-leaders had known each other since high school, and had thereby already a sense of each other’s personalities before discussing the creation of their start-up. Also, the co-founders of Company I were close friends before starting their firm. Company F was different in that sense, as the co-founders had only known each other for a few months before they started working together. The co-leaders thereby had very dissimilar starting points in terms of dynamics, meaning that the time affected their dynamics differently.

Time was thereby seen as a factor which helped the co-leadership dynamic to grow and mature. Further, time was also necessary for many co-leaders to reach their full capabilities. The time which the co-founders had known each other before the creation of the start-up showed to vary greatly. This could create tension in the beginning, but time allowed them to improve their co-leadership dynamic. The main elements connected to time where therefore Learning & Personal Growth.

4.1.2 Co-leaders’ Traits and Competences

The co-leaders possessing suitable traits and competences showed to have great importance for most of the interviewees. D1 claimed that “if you have the right people, you will always achieve”, and also put an emphasis on that the co-leaders in the company should be heterogeneous in various ways. He underlined that differing skillsets and personality traits are a necessity, and explained that “seven people that are like me, would not make a grand company”. This was also mentioned by H1, when talking about the collaboration with H2 and H3, as he talked about the synergy of their combined skills and competences. For company H, the diversity also in terms of nationality was vital, due to cultural and linguistic barriers. A Chinese co-founder and co-leader was deemed necessary.
Several respondents stated that they had mapped out their competences beforehand, as a way of knowing what kind of skills they possessed, and how these could be utilized. For company E and company J, it was expressed that the different educations and working backgrounds helped the co-leaders to lead the company unanimously, since they had such different skills. However, it also proved important to find out which competences the co-leaders did not possess. This was the case for company I, where I1 recognized skills that his co-founder I2 lacked, which was also a reason for why they decided to work together, and to involve I3 as well.

Also differing personality traits, which were not competence-based, were seen as a strength. In some companies, such as company C, E and J, the respondents talked about the balance between chaos and structure, as usually one of the co-founders tended to be more structured which could be utilized. Company A and E carried out personality tests, in order to gain insight in how they and their co-leaders would act and react in various situations.

A1 spoke about A2’s traits “she has got the gut feeling of hers, which is really something you can use too”, and further mentioned that this was a trait that he lacked himself. In the case of company E, E1 said that “.we have a pretty good, similar personalities, but they are different enough that we can play on them” meaning that the co-leaders managed to utilize both their similarities and differences.

However, what made the personalities match showed to be individual, since the respondents mentioned various criteria for their co-founders’ personality traits. F1 mentioned that he wanted to know if his potential co-founder was a good person, and made sure to get to know how F2 acted both professionally and privately. A similar standpoint was presented by G1, who claimed that he could not have started the company together with G2, unless he knew that they shared similar values in life. H1 had a completely different approach and did not focus on anything but the work-related skills and traits of his co-founders.

The interviewees recognized the importance of their collaborations and the combination of diverse personalities, skills and competences, especially when it comes to the success of their companies. “. We are a good combination. We could split up, but we would never be able to produce what we did together.” - Interviewee H1.
A major emphasis was thereby put on both diversity and the ability to match the co-leaders’ skills and traits. This was a way for the co-leaders to complement each other and create a Synergy of their collaboration: the combined power of the group is greater than the total power achieved by them working individually. Also Shared Values proved to be important for several co-leaders, before even starting the company. The main elements are thereby Synergy and Shared Values.

4.1.3 Trust

“One should never start a company with anyone that you do not trust 100 percent. That is the most important thing.” - interviewee G1.

Trust is one of the most important values of the interviewees when working together with their co-leaders. Often, they had a pre-established relationship with their co-leaders, that provided a certain level of trust. Interviewee D1 stressed the importance of trusting that someone does their job and that the person is able to learn and grow. “I mean, the worst thing you can do is ‘I do not trust you, give it to me and I will do it myself’. That kind of leadership that is never going to work. Trust people.” Interviewee E1 adds to this, by stating that in order to build trust, honesty is necessary, because honesty builds trust. It helps to create loyalty to the company, where otherwise the focus would be on making money.

The interviewees stated that they need to trust their co-leaders to do what they had agreed on and vice versa. Interviewee F1 confirmed this by saying: “I know that he can deliver, because I trust in his capabilities and his knowledge to make it happen. But also his dedication and motivation to make it happen. The same way, I would imagine, he trusts me”. According to interviewee F1, through time, they have learned to trust each other more and more. Interviewee A1 told us that in situations where there are arguments or disagreements it is important to be able to rely on each other. “At the end of the day, the trust between the two of us is critical. The relationship we have reflects completely on the future of the company.” – Interviewee F1.

To conclude, Trust has shown to be important when collaborating with each other. Trust allows the leaders to give out work and rely on it being executed well. To have Trust, honesty is necessary, which implies the relevance of Open & Continuous Communication
and Shared Values. Lastly, Trust develops over time and is seen as essential for the co-leadership dynamics to be functional.

### 4.1.4 Role Division

When discussing how the role division in the company was established, the majority of the interviewees expressed that their roles were based on their own interests, skills and experience from previous roles in companies. Some of the companies discussed the role division beforehand, while others assumed the roles naturally. The skillsets from the co-leaders often differed from each other, which was seen as positive when it came to the distribution of areas of responsibility. For Interviewee I1, with a relatively new company, they prefer to stay informal and therefore, they do not have formal roles and titles in the company. Company C decided after three years that it was better to put the role division on paper. This was decided in a board meeting. The reason for this decision was that it was more formalized, and it provides clarity.

Interviewee B1 experienced a change of roles as time at the company progressed. In the beginning of the start-up, he said that everyone did everything, there was no order or structure. “I suppose time reveals where you are supposed to be.” There had been complications with deciding on how to divide the roles and when the co-owners got to know each other. Interviewee B1 did not start as the CEO of the company, B3 initially had the position due to his age and experience. After two years, B1 became the CEO because the board wanted him to be. His attitude and way of working, e.g. structure and realistic view of capabilities of the company, had shown to be suitable for the role. This resulted in him having two roles in the company.

Interviewee G1 explained how the roles have changed in the company. At first there was more a division of tasks, where he took the lead. However, as time progressed, his co-leader became more involved in the decision making: “.. so we share the responsibilities now in a bigger way than in the beginning.” In company H, the decision making regarding large decisions is mostly done by two of the three co-leaders, since they found out it worked better in that way. Interviewee H1 claimed that he takes the lead in the dynamic, because he is more strategic and is more concerned with the related tasks.
As a negative experience related to the division of roles, Interviewee D1 elaborated on a situation in his previous company, where there was an unequal workload. When there is equal ownership, everyone benefits from the increase in value and this is equally distributed. However, it is not equal when someone is working a lot and somebody else is sitting on the side-lines, as was the situation in the company. Furthermore, he told us that a person should not be put in a position where he or she does not belong, even though it is in their or someone else’s interest. Their personality, skills and competences should fit the position. “That is how a bad leader becomes a bad leader, because a person is put in the wrong position.”

To conclude, the leaders’ roles were mainly based on their interests, skills and experience. The distribution of responsibilities went quite naturally due to the co-leaders being a good fit when it came to interests, skills and experience. This stresses the importance of Synergy between the leaders. Furthermore, the Empirical Findings show that the skills and competences can further develop over the years, which emphasizes that the leaders can become suitable for certain roles over time due to Learning & Personal Growth. Lastly, the position for the person should fit their skills and competences and the workload should be divided equally to maintain equal treatment, as this was a Shared Value among the leaders.

4.1.5 Communication

Communication took place in various forms between the co-leaders of the interviewed companies. In company E, E1 claimed that he and E2 often thought so alike, several things which usually would have been communicated vocally, were never even said out loud. Several interviewees stated that it was not necessary for the communication to take place face-to-face. A1 and J1 mentioned how they often spoke with their co-leaders on the phone, whereas the co-leaders in Company C and Company E usually discussed their business in their office. D1 recognized from his experience that communication that took place online or over the phone could be complicated, and thereby suggested that if that is the case, systems and routines should be established to ensure that the communication is working.

Formal meetings seldom took place between the co-leaders alone, in several companies. This was partly due to the reason that they shared office space or met frequently, “we
turn our chairs against each other”, A1 said. For company F, the communication could take place anywhere, for example when having lunch. Also in company G, there was a somewhat formal routine of G1 and G2 discussing the business every day at lunch. In company I, the co-leaders always meet twice every week, on the same days. Where in one meeting they decide upon their targets for the week and the other meeting provided a moment to reflect upon their (accomplished) work.

In all of the cases, it was emphasized that the communication was a positive aspect of having co-leadership. C1 said that “it is always important to have someone to discuss with”, whereas G1 claimed that having someone in the same position to communicate with, provided a lot of support when leading the company together.

The ongoing communication was deemed necessary by many. Not only the conversations concerning the day-to-day business, but also discussions about where the co-founders want to take their company. D1 claimed that the communication would bring “clearness, where we are and where we want to go”. This was also brought up by H1, who said that he communicated with his co-founders what they wanted to achieve. This was connected to transparency, which was claimed to be one of the most important values for company I. Several respondents also stated that it worked as a way to handle and solve conflicts, and also to avoid them from escalating due to the constant alignment of values and strategies.

Open & Continuous Communication was thereby highlighted as vital for a functional co-leadership dynamic. It was often mentioned as something constant between the co-leaders, however, it could occur in various forms. Communication plays an essential role in the communication of values, ideas and visions, and is therefore fundamental for the co-leadership dynamics. Moreover, it was used as a way to avoid conflicts and misunderstandings.

4.1.6 Conflict Management

It became apparent from the interviews that the conflicts were never large. B1 claimed that “conflicts are just inevitable”, due to the fact that the co-leaders still could have differing viewpoints. However, this was not seen as an issue. Aligning with this, A1
described their conflicts as minor “arguments on the way”, as a way to refine ideas or strategies.

Interviewee D1 had previous experience with a company consisting of nine co-founders, who were all involved in the company. Since everyone had different areas of responsibilities, the workload became uneven and was a great source of conflict. Also the ownership share could be an issue, something that was also a cause of discussions in company A and company H.

Various ways of overcoming arising conflicts were provided by the interviewees. It was emphasized by A1 that communication was a way to prevent a conflict from escalating. The same point was brought up by B1, who said that issues should be discussed whenever and wherever they occurred. He argued that he preferred to discuss them right on the spot, rather than designating a specific time or location for it.

The interviewees from company C put an emphasis on good chemistry between the co-leaders, and claimed that this was an important lesson that they have learned, in order to handle the conflicts effectively. G1 and J1 also mentioned this, and further stated that one has to compromise in order to maintain a good atmosphere.

For company A, A1 mentioned that trust in each other was a major reason for conflicts being minimized. This was also the case in company E, as E1 claimed that he often gave in when the co-leaders had different opinions, as he stated that he trusted E2’s judgement. In the case of D1, the respondent claimed that he actually preferred a single leader within the company and further stated that two or more co-leaders could result in a blaming game when things go wrong.

I1 explicitly stated that the friendship between the co-founders was the priority. He stated that “regardless of the business going well or bad, the most important thing is that we stay friends”, and named that a motive for staying polite and avoiding conflicts. H1 had an opposing view, and claimed that he cared more about the company than the co-founders’ personal relationships.

Regarding the idea that conflicts could be seen as something positive, the responses were ambiguous. Some respondents, such as A1 did not agree with that theory at all, whereas others such as B1 experienced that conflicts did have positive outcomes. Many
interviewees talked about the attitudes towards conflict resolution. D1 underlined that conflicts can be positive if the mindset of the involved individuals is to resolve it in a good way, and argues that “it can be counterproductive, if somebody is just there to destroy.” A similar thing was said by E1, who stated “conflict itself is bad, it is how you resolve it that is interesting.” This was further emphasized by G1, who said that “our way of dealing with conflicts where we do not outright say what we feel, and instead go into silence, temporarily passive-aggressive behaviour,” which was his explanation for why he did not see any positive outcome of conflicts.

To conclude, several elements arose when discussing conflicts. Open & Continuous Communication and Trust were mentioned as suitable ways for resolving conflicts and preventing them from escalating. Furthermore, the attitude towards conflict resolution was seen as a determining factor for whether the outcome would be positive or not, as the leaders need to portray a Collaborative Attitude for conflict to get resolved. The most prominent elements were thereby Open & Continuous Communication and a Collaborative Attitude.

4.1.7 Positive and Negative Outcomes of Co-leadership

“When you have never done anything like this before, just coming from school, and then running a business like this, it is.. I would not suggest anyone to do it on their own. Never ever. You are much more likely to succeed if you do it together.” – Interviewee B1.

From the interviews, the majority expressed that starting a business should be done with someone else. This because everyone brings in different ideas, skillsets and experience. Their co-leaders are seen as mentors, supporters, and they help each other to grow as individuals. The latter has mainly to do with the different personalities and skills that each of the leaders bring in. All the interviewed leaders agreed that there is a lot that can be learned from their co-leaders, and most importantly, they complement each other. “We are different and that has worked in our favour.” – Interviewee J1. All the teams consist of an equal division of task and social-oriented leaders. The co-leaders who took the lead in their teams often described themselves as being more task-oriented or a mixture between the two. This was the case for companies A, B, C and H. Interviewee B1 described it as a useful combination and “it is easier to see both sides of the coin.”
The interviewees expressed that there is a lot of empathy and openness towards each other. Interviewee D1 mentioned “everyone has a staircase to walk”, with this he emphasized that everyone needs to have the opportunity to learn and make mistakes. Some of the interviewees mentioned that they admired the passion and drive in their co-leaders. “He always pushes through, even when there is a huge setback.” – Interviewee I1. “.. And he has a certain drive that I admire also, even if we are on the verge of a bad situation, we always find a solution to that. That is why I admire his passion, his drive forward.” – Interviewee B1.

Interviewee D1 pointed out that there are some downsides to co-leadership. For instance when it comes to making strategic decisions, it can become more complicated. He said: “.. when it comes to running companies, sometimes you need a dictator on the top. It makes life simpler.” Interviewee G1 stated that it is sometimes necessary to compromise, since your own vision cannot always be followed. He concluded that “maybe that is both good and bad.” Interviewee F1 told us that finding the right co-founder is the single most important decision that is made when building a company. It is very important to spend time with them, to get to know them and to make sure the expectations are aligned. Further, interviewee F1 stresses this by saying “a bad co-founder is useless, because they take up all of your energy out into managing the relationship with them.” When the interviewees were asked about what would make a “bad” co-leader, they mentioned: distrust, misaligned expectations and visions, mismatching skills and personalities.

Another bad quality that was emphasized is having a big ego. When co-leaders want to collaborate, it is important to be open towards giving and receiving feedback, having an ego would obstruct this process. For interviewees D1 and F1, the mentioned qualities of a “bad” co-leader were part of the reason of why they have ended previous partnerships. Lastly, the interviewees emphasized that it is important to represent a unity and to keep in mind the wellbeing of the team and to be supportive. “Many times we like to refer to ourselves as one, because we are such a tight team now having endured quite a lot these last few years.” - Interviewee B1.

Finally, the way how the team fits together and create something bigger together, the Synergy, is seen by the co-leaders as a very important aspect. Finding the right co-founder is described as being the most important task when building a company together. The co-
leaders value that they support and learn from each other, which emphasizes the important of Learning & Personal Growth. Having a bad attitude, e.g. having an ego, is stressed by the co-leaders as negative, and this is considered to have a negative effect on the co-leadership dynamics. Therefore, a Collaborative Attitude is a requisite.

4.2 Contexts

4.2.1 Start-ups and Entrepreneurship

The interviews showed that there were a variety of reasons for creating a start-up. In the case of company B, where the co-founders initially decided to found a company connected to what they studied, they saw it as a part-time occupation to earn some extra money. Respondent A1 stated that he possessed an entrepreneurial mindset and said that “I always wanted to start my own business”. Company A was not the first company started by A1 and A2. In company H, H1 claimed that he has previous entrepreneurial experience, and that the two other co-founders were selected by him. He was thereby determined about creating a start-up, whereas his co-founders initially were not.

Timing was another factor, as highlighted both by E1 and J1. E1 claimed that he was tired of what he had been doing at work, and thereby “needed to do something else”. When E1 and E2 suddenly were unemployed at the same time, they saw the possibility to start their company. A similar situation occurred for J1 and J2, who had the opportunity to receive a contract, if creating a start-up.

Dissatisfaction with the previous workplace was also mentioned as a reason for starting their own company. The situations for the founders of company G were described by G1 as “we were not fully satisfied or felt appreciated” when talking about their previous jobs. Also the co-founders of company C mentioned that there had been struggles with their previous employer. For company H, the former employer was even a challenge to cope with after the start-up was created, due to legal reasons.

Regarding the companies’ purpose, the answers were scattered as well. Some interviewees put an emphasis on profit or growth being the main goal the start-up’s creation. A1 mentioned that both co-founders shared the vision of “creating something bigger than yourself”, and claimed that the focus on growth became a driver for founding their company. Also interviewee I1 talked about growth, and said that it is the main
priority of Company I. But not everyone shared the same ambitious company motives. In the case of company B, B1 put an emphasis on the company growing organically. Respondents C1 and C2 said that “the primary reason was that we wanted to do something, we like to have fun”. Also D1 saw the importance of having fun, and suggested that this would make the bad times easier to endure.

Several challenges concerning running their own business, were mentioned. Most interviewees claimed that the biggest challenge was to get the company up and running. This involved getting jobs and customers, which the interviewees D1 and J1 saw as a continuous challenge. Also respondent B1 recognized this, and stated that “the start-up of the company is always the hardest period. To make this work, to get the shit to fly so to speak”. A possible explanation for this was provided by E1, claiming that “entrepreneurs are by nature social beings that love starting stuff, not necessarily running things”.

Another challenge was industry knowledge and contacts. Interviewee B1 put an emphasis on having contacts and claimed that involving a co-owner with a large professional network turned out to be vital for the establishment of their start-up.

F1 stated that “being an entrepreneur is like being bipolar”, and further described it as an emotional rollercoaster where it was important that he could depend on his co-leader. The high levels of stress were also emphasized by others such as G1, who mentioned how the two founders initially lived off their own savings. It was however emphasized, that having multiple founders provided stability and support.

Lastly, being an entrepreneur requires a certain ambition and drive of a person, since it is a very hectic and stressful time, therefore their attitude regarding the business is of fundamental value. Especially, when they need to collaborate in order to stay afloat. A Collaborative Attitude has therefore shown to be necessary. Starting a business brings along many challenges for the co-leaders. Thus, it was important for the co-leaders that they could depend on each other, e.g. for skills, support, professional networks and connections. This puts an emphasis on the relevance of a good Synergy of the team.
4.2.2 Foundership and Ownership

As to being founders and owners, for a few interviewees it was hard to distinguish how this influences their view on the business, because they have always been entrepreneurs. Recurrent in the interviews was that the founders expressed their concern for the wellbeing of their employees. This was confirmed by the interviewees of company C and D, who said that is an important factor particularly for the founders and owners. According to interviewee E1, there is also more pressure to keep the company going, since the employees and their families are depending on you. He further added “but you take ownership in a totally different way when you own it, when you have started it. This is our baby.” Interviewee B1 offered a different perspective. He said he used to believe that the company was to be his heritage. However, he expressed that he needed to let go of these notions of responsibility, since he sees this as a distraction. He believes that if the company is meant to go well, it should be because he likes the business and not because he is the founder.

The founders implemented their own values in the companies and it was very important for them that these values were shared by their founding teams. The latter was stressed by interviewee G1: “I would never have started the company with G2 if I did not know that he has the same values as I.” It was important for the co-leader that they could trust their future co-founders. Interviewee F1 emphasized this as well. He explained how he observed his future co-founder to ensure that their values were similar, before they started working together. Moreover, the interviewees reflected on their own values and how these were implemented in their teams and the company as being the founders. Among the mentioned values were: fairness, flexibility (e.g. concerning working hours), honesty, integrity, openness, trust, and transparency. Further, frequently mentioned was the mutual exchange of feedback, listening to others and having a shared vision of where the company is headed.

Interviewee D1 stated that if you are a leader without any ownership, you will make decisions that are aimed at delivering results for the owners. Their primary interest is to build their CV, while the owner of the company is more concerned with how the company grows, thus they are more dedicated to the company. He described it as a family business way of thinking, an owner feels like “this is my organization with my fellow employees.” They are more organization-oriented whereas the professional manager is more career-
oriented. To support this, he said, “an owner can always feel that he/she can suffer, because the company is suffering” and “you do not want your company to fail.”

Furthermore, interviewee G1 argued that since he founded the company, he should have the right to have the most important opinion concerning how the company should be run. “I think that I have that right on my side.”

When discussing the ownership structures of the company, the leaders who are working in the day-to-day business of the company, most often own equally much. This excludes investors and others. Interviewee E1 stressed that it was important to have an equal division: “yes. And that is important, that we own as much, we have equal pay, equal ownership, equal responsibility.” Interviewee A1 described that he owns more of the company than A2 does. This is due to him having invested more in the company. However, it was also mentioned that A2 wants to own more if her finances would allow it. Interviewee D1 described how the ownership structure in his previous company led to a lot of tension and conflicts within the company. The owners were in different layers of the company and they had different priorities and visions regarding how the company should be run. Additionally, the other employees in the company did not feel treated equally. Once the company was sold, all the owners became regular employees, “we destroyed this imbalance by selling the company.”

Interviewee H1, in whose company there is an unequal division of shares, explained that this is has been a topic of discussion. However, “in discussions the ownership share does not matter, we have the same size in terms of voting.” Nonetheless, two out of three people have the majority, which means: the majority in ownership and influence in the company. Interviewee B1 explained that it further depends on how the ownership is seen. “But even if we own a separate amount, our opinions are not worth more or less. In the board it is more or less just; you are one person, you have one vote. Technically, on paper it is not like that. But practically it is like that, because we do not need a dictatorial view. It does not make good business to be dictatorial.”

To conclude, being a founder and an owner influences the co-leaders relationship to the company. They are emotionally and financially invested in the company, this reflects on their Attitude, which then reflects on the co-leadership dynamics. They deeply care for their company and the wellbeing of the employees, which makes them more dedicated to
its success. When founding the company, it is essential that the founding team could trust one another and that they have Shared Values & Vision. The division of ownership is seen as important, because the ownership should be divided equally and/or the co-leaders should be treated equally, in order to not negatively influence the dynamics.

### 4.3 Empirical Conclusions

From the Empirical Findings it became clear that the themes of co-leadership dynamics and the contextual factors have several recurring elements. The elements which came forward from the empirical research concerning the themes under co-leadership dynamics are: Collaborative Attitude, Shared Values & Vision, Open & Continuous Communication, Synergy, Learning & Personal Growth, and lastly, Trust.

From the contextual discussions, it became clear that some of the mentioned elements were emphasized in connection to the co-leadership dynamic. These elements are: Collaborative Attitude, Shared Values & Vision, Synergy and Trust.

Also, when talking about dynamics, time is an influential factor and is by definition included, because dynamics develop over time. Thus, time influences the dynamics to grow and mature. Time is therefore not included as an element, due to the fact that it is always present.

In the next chapter, the elements are discussed next to the literature and the importance of it to the creation of a functional co-leadership dynamic.
5 Analysis

The fifth chapter combines the Empirical Findings with the Fame of Reference, which leads to our conclusions about the topic. The elements which were highlighted from the Empirical Findings are thereby discussed individually. This is followed by a discussion of the influence of the context on the co-leadership dynamic. In the end of the chapter, we present our model together with an explanation of its elements with the aim to fulfil this thesis’ purpose.

5.1 Elements of a Functional Co-leadership Dynamic

The elements as discovered in the Empirical Findings are: Collaborative Attitude, Shared Values & Vision, Open & Continuous Communication, Synergy, Learning & Personal Growth, and finally, Trust. All of these elements came forward from the themes of co-leadership dynamics, some of the elements emerged from the contexts as well. This means that some of the elements are also influenced by the context the co-leaders are operating in. The elements are further discussed here below.

5.1.1 Collaborative Attitude

This element was discussed in both the themes of co-leadership dynamics and the context. Attitude is an element which appeared in various parts of the Empirical Findings, when discussing the themes within co-leadership dynamics. It could be applied to several contexts within the company and to the co-leaders’ interactions. An Attitude is defined as: “a predisposition or a tendency to respond positively or negatively towards a certain idea, object, person, or situation. Attitude influences an individual’s choice of action, and responses to challenges, incentives, and rewards (together called stimuli)” (Businessdictionary.com, 2018). A Collaborative Attitude would then mean, that the individual is an active member of the team and works together with the others to achieve the common set goals. It encompasses the co-leaders’ way of thinking, thus the framing of their minds. It thereby showed to be an element to take into consideration when examining the dynamics. Interestingly, the co-leaders’ need to have Collaborative Attitudes was not explicitly mentioned in the literature connected to the topic of co-leadership.
The attitude towards conflict resolution is another aspect of this element. As the Empirical Findings pointed out, several interviewees talked about how vital it was for those involved in a conflict to have a Collaborative Attitude, since they need to be willing to come to a good resolution. This could otherwise result in the outcome of the conflict being negative. Linking this to the Conflict Path model by Bojeun (2014), one can argue that it is the attitude that determines which path the conflict will follow after being initiated. If those involved in the conflict want to have it resolved, the interaction becomes constructive and any escalations will be avoided. However, if there is no real intent to solve the conflict, it can become more emotional and therefore risk to escalate it even further. This also connects with the literature by Libare (2012), who claimed that one can either avoid or approach the conflict, which is also an attitude that co-leaders have, and that will affect the co-leadership dynamics. For example, in company G, discussions were mostly avoided, meaning that they had an avoiding approach derived from their attitude towards conflicts and how to handle them. This means that the attitude towards conflict management can have an impact on the co-leadership dynamic as a whole.

Attitude can further negatively influence the group. As stated by Bridbord and Delucia-Waack (2011), there are more opinions and perspectives that need to be considered in the decision-making processes. Further, the leaders are accountable for work they did and did not do, individually and collectively. The extent to which someone has a Collaborative Attitude influences their response to taking this responsibility. The attitude of having a big ego, was considered to be highly unfavourable when working together. This aligns with what O'Toole et al. (2003) claim about that managers need to be able to manage their egos. Additionally, it takes time to let go of this attitude of prestige, due to the co-leaders having a continuous learning process in which their behaviour is evaluated and reflected upon by the co-leaders (Wilhelmson, 2006). This means that a Collaborative Attitude can be improved over time through Learning & Personal Growth and impact the Synergy of the team.

Another aspect that some of the interviewees mentioned, when sharing the leadership role, is that it becomes more complicated to reach a decision and sometimes it is necessary to deviate from your own vision in order to align with the team. Whether this is seen as positive or negative, greatly depends on the individual’s attitude regarding the situation and their willingness and ability to adapt to the collective. Where one interviewee stated
that it is sometimes better to have “one dictator on the top” when running a business, the other suggested to never start a business on your own, because “you are much more likely to succeed if you do it together.” Nonetheless, these leaders’ attitudes are influenced by their previous experiences, which proved to be either positive or negative for them to come to these conclusions.

Also, communication and the co-leaders’ attitude towards it proved to have importance. Open & Continuous Communication being an element itself will be further discussed in section 5.1.3. However, the co-leaders’ attitude towards the ongoing interaction mattered just as much. When connecting this to the Collaboration Model presented by Kramer and Crespy (2011), one can see that the attitude is present at the first step where the collaborative philosophy is established, and aids in the starting process of a collaborative culture.

From the context, it became clear that Attitude also concerned the co-leaders approach towards their company and its purpose, since a variety of motives were mentioned for the start-up’s existence. Also, this links to their general view of entrepreneurship and leadership. The Attitude further influences the way how the co-leaders look at their collaborations and to what extent they are willing to collaborate with their co-leaders in the business that they founded. It is a possibility that the leaders differ in opinion on how the business should be run and what the main objective is. Therefore, it is important that this links back to the Shared Values & Vision, as it is important for these to be aligned in the team.

Moreover, a Collaborative Attitude can influence the motivation for how the business is run together. Aligning with Schein (1983), the interviewees claimed that they, as founders and owners, are mostly concerned with the growth of the business and the wellbeing of its employees. Further, there is more pressure to keep the company going, because the employees and their families are depending on you. One interviewee referred to the company as being their "baby", where another interviewee claimed to have let go of these notions of responsibility, because they are seen as distraction. He rather is motivated by the idea that he likes the business. This indicates that being emotionally attached to the company, could cloud the judgement when it comes to making decisions regarding the company. However, this can be viewed differently from each co-leader’s point of view.
and the values and visions that are set for the company. In the next section, there will be elaborated on Shared Values & Vision.

5.1.2 Shared Values & Vision

This element was discussed in both the themes of co-leadership dynamics and the context. For the co-leadership dynamics, it became clear that certain values were considered to be necessary for the dynamics to be functioning well. The values, which were implemented in the companies, were surprisingly similar among the different companies, which indicates a consensus on which values are important. This illustrates that for the sharing of leadership, certain values need to be there in order to make co-leadership work. Among the mentioned values were: fairness, flexibility (e.g. concerning working hours), honesty, integrity, openness, trust, and transparency. Additionally, the importance of feedback, listening to each other and a shared vision were emphasized.

Where flexibility is not an uncommon value for entrepreneurial firms to have, the emphasis on fairness, honesty, integrity, openness, and transparency emphasized the need for an environment where Trust could be established in the team. Furthermore, by valuing feedback and listening to each other, the co-leaders facilitate an environment in which Learning & Personal Growth are encouraged. However, this is further discussed as another element.

From the context, it became apparent that it was very important for the co-leaders that the values were shared by their founding teams and that these values were implemented in the companies. This confirms what several authors have stated about the founders’ identity having a strong effect on emerging organizations (Fauchart & Gruber, 2011; Whetten & Mackey, 2002), which then results in the founders strongly influencing the company culture (Schein, 1985). Further, it confirms what Wilhelmson (2006) stated concerning the necessity of common values, since it contributes to reaching common goals. Moreover, when talking about the forming of the company, some of the interviewees expressed that they would not have started the company if the others did not share the same values. This is a finding that is not explicitly stated by literature, however, it proves the importance of shared values among the founding teams from the start. The interviewees ensured their co-leaders had the same values by having a great deal of
conversations with them and by observing them. This stresses the element of Open & Continuous Communication which is treated in the next section.

Another value, which came forward in the distribution of ownership, was equality. It is highly valued by the interviewees that all the co-leaders feel that they are equally important to the business. For this reason, they mostly had an equal division of shares. This is confirmed by literature (Dawes et al., 2007; Fehr & Schmidt, 2006). When there is not an equal division of shares, equal treatment was promoted. In this way, the motivation to work in the company remains guaranteed. In companies where there was an unequal divisions of shares, it became clear that the division of ownership became a point of discussion and friction. Some interviewees indicated that regardless of the division of shares, everyone has one vote (in the boards) and everyone is treated as an equal.

Lastly, next to having Shared Values in the team, having a Shared Vision regarding the company was seen as essential in order for them to collaborate and continue the business. This is confirmed by Pearce and Conger (2003). When the Shared Values & Vision were not present in previous collaborations of the interviewees, the interviewees were not motivated to continue these collaborations, along with other reasons which are connected to the element of Synergy. To make sure that the values and vision were aligned, extensive communication took place between the co-leaders. Therefore, this is an element that is discussed next.

5.1.3 Open & Continuous Communication

When discussing the themes of co-leadership dynamics, most of the interviewees mentioned the importance of Open & Continuous Communication. This highlights it as a relevant element for a functional co-leadership dynamic. The findings showed that communication was mostly informal, and constant between the co-leaders. In terms of structure, some co-leaders had weekly meetings whereas others did not have any predetermined days or times for when to discuss the business. Interestingly, the number of years that the companies had stayed in business did not affect whether or not there were regular meetings or not. There are several possible explanations for this. One reason could be that some co-leaders travel a lot and could not meet face-to-face on a regular basis. Having a structure for when to meet, can then be both convenient and inconvenient,
depending on the co-leaders’ responsibilities. Another reason could be that some co-leaders sit in the same room, as in the case of Company C and E, and thereby formal meetings can be seen as unnecessary, depending on the preferences of the co-leaders.

According to Drescher et al. (2014), the sharing of information is an essential part of solving problems within shared leadership. The interviewees confirmed this and added that it was used as a way of avoiding misunderstandings and preventing conflicts from escalating. The latter aligns with the findings of Wilhelmson (2006), since he found that the ongoing communication functions as a tool for problem solving and resolution of difficulties. This is further aided by the element of Trust, since the co-leaders depend on each other for doing the right thing. Some of the interviewees put an emphasis on transparency and clarity, to diffuse confusion and misunderstandings. One can thereby link this to the literature by Bergman et al. (2012) which underlines that since each individual has different leadership styles, they thereby must communicate clearly in order for the activities to be coordinated. Interviewee B1 further emphasized that a clear communication to the board is necessary.

Something that can be highlighted from the interviews is that while the communication is appearing in various forms and at different occasions, it is more or less constant between the co-leaders. It inclines that this is a way for the co-leaders to ensure that their vision is kept aligned within the team, which then also relates the element of Shared Values & Vision. As mentioned before, when founding the company, the co-founders made sure to discuss the purpose and vision for their company. However, our research also shows that there is a need for continuous discussions about this also after the founder step, meaning that the element of Learning & Personal Growth is also connected.

As mentioned in the previous sections, staying coordinated in terms of vision was shown to be helpful for the co-leadership dynamics. As confirmed by literature, communication contributes in reaching a shared vision, this is done, for example, by formulating common goals (Farmer et al., 1998). This would then also agree with the Collaboration Model presented by Kramer and Crespy (2011), claiming that it starts with the philosophy about being willing to collaborate, which thereafter influences the culture. Open & Continuous Communication is thereby an important part of the collaborative culture.
Concerning the possibility to improve the communication, D1 was the only one providing suggestions, claiming that establishing structures and routines for how to communicate would be helpful. This might also be linked to the Collaboration Model (Kramer & Crespy, 2011), suggesting that such a structure can be built into the company from the very beginning. However, as mentioned before, each company has implemented their own routines, according to their unique situation. It is therefore hard to provide any precise descriptions on how to create any model of communication. Nonetheless, the co-leaders should have regular contact with each other in order to keep one another informed and to sustain their professional relationship.

Pearce and Conger (2003) claim that communication is one of the factors that determine if shared leadership will be successful or not. Communication has shown to be of great importance for the forming of the founding teams and the further development of the organization, especially when the communication is open and continuous. It helps to formulate the common goals and values, which lead to the shared vision for the company. However, our research indicates that Open & Continuous Communication as just one element cannot ensure a functional co-leadership dynamic. It greatly supports the other elements and, when combined, it greatly contributes to improving the co-leadership dynamics. Therefore, it can be said that Open & Continuous Communication has played an important role regarding the forming of professional and personal relationships, from which the founding teams were formed. As a next element, the Synergy of the teams is discussed.

5.1.4 Synergy

This element was discussed in both the themes of co-leadership dynamics and the contexts. From the themes in co-leadership dynamics it became clear that a good fit between the co-leaders’ skills and competences was valued. Further, the co-leaders emphasized that they, in this way, created something bigger and more powerful than they could have done individually.

In order to create a team with synergised abilities, also diversity among the co-leaders came through as necessary. Diversity in this case involves both work-related skills, but also different personalities and experiences. By including diversity, it means that since both personality traits and competences should be considered when establishing a co-
leading team, it makes the collaboration more complex than if there were just one person acting as a leader. It aligns with the literature of Raelin (2018) who pointed out that co-leadership is different than traditional leadership due to the emphasis on collaboration. There is a need for not only the co-leaders work-related skills to function well together, their personal attributes must also be diverse yet complementary. This is further emphasized by the need for a good chemistry between the co-leaders, as pointed out by the interviewees.

Reasons for dissatisfaction between the co-leaders are: a lack of experience, mismatching personalities and different visions (Bridbord & DeLucia-Waack, 2011; Pearce & Conger, 2003). This was confirmed by our interviewees. Additionally, from our Empirical Findings it became clear that factors as distrust, mismatching skills and having a big ego were considered to be just as unfavourable. As interviewee F1 stated, a bad co-leader is useless, because they take up all your energy for managing the relationship with them. Therefore, selecting the right co-leader is seen as the most important task when it comes to building a company together, as failing to do so might prevent any Trust and Synergy from occurring.

Moreover, the role division has a significant function, as Bolden (2011) points out that it is important how leadership is distributed. This means that the role division helps to determine how the skills and competences will be used within the company, leading to the co-leaders reaching their maximum capability and improving the Synergy of the team, or not. In the case of the Empirical Findings, most of the interviewees claimed that they worked with what they did best, which relates to their skills and experience, and what they were interested in.

The roles were assigned based on planful alignment or spontaneous alignment (Leithwood et al., 2006). This means that the roles were discussed beforehand, or the co-leaders made intuitive and tacit decisions regarding the roles and the roles were distributed without planning. These decisions could solely be made by the co-leaders when they had knowledge on their co-leaders’ experience, skills and competences. The co-leaders mostly had pre-established relationships from which they decided to found the company together.
For the leaders it is therefore important to be aware of the skills and competences of their co-leaders, in order to be able to assign the roles appropriately. Negative consequences as a result of poor role distribution could occur, this was emphasized by one of the interviewees. For instance, an unequal division of workload. Also, other factors such as personality traits might clash, leading to mismatched role divisions or conflicts disrupting the daily work. This could be seen as hinders towards reaching this synergy. That puts an emphasis on the other elements being connected to Synergy, such as a Collaborative Attitude, Open & Continuous Communication, and Learning & Personal Growth.

From the context, it became clear that the Synergy of the founding teams is essential. Interestingly, this has not been extensively mentioned in literature. The synergy between the co-founders’ combined traits, competences and resources showed to be an important element to consider when discussing the co-leadership dynamics. This aligns with what Wilhelmson (2006) stated about the leaders needing to be complementary in interests and competences. The interviewees confirmed this and underlined that there needs to be a good fit in order to exploit all competences of the team. Even when creating the company, one of the interviewees claimed that he hand-picked his co-founders depending on their skills, and that they would not perform as well by themselves as they now do together. This further shows the importance of the co-leaders’ combined skills and competences. Furthermore, the interviewees emphasized their admiration for the drive and passion of their co-leaders. This drive and passion can function as a driving force that inspires the other co-leaders.

The suggestion provided by Gauthier (2006) regarding co-leaders mapping out their skills and traits beforehand is therefore a reasonable idea, in order to fully utilize the co-leaders’ combined potential. In some cases, this had already been done by the interviewees, but in most companies, this was not the case. However, most interviewees had pre-established relationships with their co-leaders, which contributed to the understanding of each other’s skills and traits. This stresses the importance of having this knowledge regarding their co-founders and co-owners, because when the organization grows, they become the leaders of the organization and its employees. Therefore, it is a requisite that they are aware of one another’s skills and traits in order to effectively lead the business together.
Synergy can also be said to depend on the time. As highlighted by the Empirical Findings concerning starting the companies, some interviewees mentioned that there was good timing for them to co-found the company at a specific point. Thereby, the timing can be said to affect the Synergy, since the co-leaders had acquired different useful experiences which became valuable at a specific point in time. However, timing is not solely determining the co-leaders’ Synergy, since Learning & Personal Growth have also shown to be of great importance to the dynamics.

5.1.5 Learning & Personal Growth

The element of Learning and Personal Growth clearly became a factor which affected the co-leadership dynamic over time. This became apparent from discussing the competences and personal traits with the interviewees, as they put an emphasis on learning from their mistakes. Moreover, it was shown from the Empirical Findings that the co-leaders’ skills developed as the work proceeded, which was also one of Raelin’s (2018) main points about learning at work. This further connects to what was said in the interviews, concerning individuals needing time to learn and grow in order to reach their full capabilities. Additionally, the values of the companies were set to promote Learning & Personal Growth as providing mutual feedback was considered to be essential. Wilhelmson (2006) confirms this and states that when co-leadership is working well, it creates a deepened learning process which can be transformative. He argues that co-leadership impacts the leaders’ personal development through the processes which are profoundly linked to the interaction between the leaders. For this reason, the mutual exchange of feedback, honesty and openness are necessary, because the leaders’ interactions create learning moments. It takes time for the leaders to get adjusted to this and helps them to grow as a team. This emphasizes that a Collaborative Attitude can improve through Learning & Personal Growth.

The time aspect also links to role division when discussing Learning & Personal Growth, as the best possible role division in the company can only be determined over time, as the shared leadership develops and increases (Kozlowski & Chao, 2012). Assigned tasks and responsibilities can also change within the companies. This could then be seen as a natural development for the co-leaders and would thereby facilitate Personal Growth as the new roles involve different tasks.
Also, for conflicts Learning & Personal Growth can play a part, in the sense that the discussions and resolution provided positive outcomes for the co-leadership dynamic. Since there were seldom any major conflicts within the companies, a possible explanation can be that the co-leaders have learned how to interact and to prevent these conflicts from escalating. The leaders provide each other with feedback regarding their behaviours and help each other in that way to grow (Wilhelmson, 2006). This naturally connects to Open & Continuous Communication as well.

It is important to emphasize that since all of the interviewed companies have been established for 10 years or less, growth has been present in various ways, and important lessons have most certainly been learned. But by highlighting Learning & Personal Growth as elements which are vital for a functional co-leadership dynamic, it also underlines the importance of incorporating this element into the dynamic between the leaders.

The challenge presented by Wang et al. (2017), concerning that the learning behaviour tends to diminish after routines and structures has been established, still seems relevant. However, the literature does not state what the co-leaders should learn, or to what extent the individuals need to grow. Moreover, from the Empirical Findings there was no one stating that decreased learning behaviours had harmed the co-leadership dynamics, or the company. A possible explanation for this is that the co-leaders are used to making significant efforts in order to make the company stay afloat, meaning that they are making sure to learn and grow as it will help their company. This because all of the interviewees had progressive attitudes and they did not want their companies to fail.

To have a learning process in co-leadership, it is necessary to have trust, exchange of mutual feedback, openness, equal power and complementary interests and competences (Wilhelmson, 2006). Our empirical research suggests that these factors need to be present in a co-leadership dynamic that is working well, meaning that Learning & Personal Growth is an essential element for creating a functional co-leadership dynamic. As discussed, Trust is a recurrent topic, and therefore a highly important element on which will be elaborated on in the next section.
5.1.6 Trust

This element was discussed in both the themes of co-leadership dynamics and the context. From the themes in co-leadership dynamics, became clear that certain values were necessary in order to establish trust. Values as empathy, honesty, integrity and openness were considered to be crucial, which also connects to leaders’ personality traits. These are essential parts which come forward in the Model of Trust by Mayer et al. (1995) in order to be able to generate trust. This shows that it is relevant for the co-leaders to build an environment where trust can be established among the individuals. In turn, the building of trust among the group members improves the sharing of leadership and the Synergy of the team, which then aids the team’s performance (Bligh et al., 2006). Building trust between group members requires time. The Empirical Findings showed, that co-leaders received certain roles over time, because they were trusted by the others to fulfil the role well. This was due to their previous experience in the roles as well as that they proved themselves worthy. This shows that the increase in the sharing of leadership, is a sign that leaders accept each other’s influence (Aime et al., 2014). The sharing of leadership further provides the group with new opportunities to build trust (Bergman et al., 2012), since the building of trust is an ongoing process. It was mentioned by the interviewees that trust allows them to let someone do their job and trust to that someone is able to learn and grow. Meaning that Open & Continuous Communication and Learning & Personal Growth influence the development of Trust. As confirmed by literature, this allows the leaders to spend time and attention to other activities, because they spend less time monitoring each other (Langfred, 2004; McEvily et al., 2003).

Interviewee F1 claimed that through time, he and his co-leader learned to trust each other more and more, stating that “the trust between us is critical” and that the company’s future depends on their relationship. As elaborated on by A1, even when disagreements happened, he could always depend on trusting his co-leader to do the right thing. This implies that the trust between the co-leaders is essential for a company’s survival.

When discussing the context, it came through that when founding the company, the interviewees acknowledged the importance of trust. It became clear that the majority of interviewees had pre-established relationships with their co-leaders. This means that the they already were acquainted with the person and they trusted them up till a certain extent, when they decided to share the leadership role with them. This closely relates to the values
which were desired to have in the founding group. The qualities which the interviewees claimed to make a “bad” co-leader also indicate that they would not able to fully trust a person if they were portraying these qualities. Therefore, developing a relationship based on trust is essential for the co-leaders’ dynamic to be functional.

5.2 Influence of the Context on the Co-leadership Dynamic

As some elements have shown to be relevant in both the themes of co-leadership dynamics and the contexts of being an entrepreneur, founder and owner, the context has proven to have an influence on the co-leadership dynamics.

Since the context has shown to impact the elements, it leads to further discussions concerning if it acts as a barrier or facilitator towards a functional co-leadership dynamic. For Shared Values & Vision, Synergy and Trust the context has demonstrated to be a positive contributor, as it provided another base for these elements to develop stronger in the dynamics. Thus, it functioned as a facilitator. The Collaborative Attitude regarding the business can be influenced by being an entrepreneur, founder and owner, as this brings along a deeper emotional and financial connection to the company. Further, an Attitude may be influenced by positive and negative experiences of the past. Therefore, it provides a different point of view from which the leaders operate, which eventually influences the co-leadership dynamics. However, as our research has shown, this depends greatly on the individual’s standpoint and ability to adapt to the collective. When one’s attitude is collaborative, it develops and changes over time in order to fit the needs of the co-leadership dynamic. Therefore, it can be said that it functions as a facilitator as long as the attitude is collaborative.

While our findings mainly saw the context having positive effects on the elements, this must not necessarily be the case. We thereby believe it is important to know that the context matters, as it seems to have the ability to strengthen or weaken the elements, and thus, influencing the co-leadership dynamics.
5.3 Model of Elements influencing a Functional Co-leadership Dynamic

As a final outcome of the Analysis, we present our model for a functional co-leadership dynamic in Figure 5. This model thereby features the mentioned elements that contribute in the creation of a functional co-leadership dynamic, which were derived from the Empirical Findings and discussed in the previous sections of the Analysis. As the model illustrates, the elements are interrelated and thereby also affect each other in various ways. One example is Learning & Personal Growth, which can benefit the co-leadership dynamic, but also can have significant impacts on a single element such as the Synergy of the team, where something greater can be created by the combination of different individual’s skills, traits and resources.

Also highlighted in this model is which elements are affected by the contextual factors. As shown in the Empirical Findings and Analysis, Collaborative Attitude, Shared Values & Vision, Synergy and Trust can be affected by the context. We believe that this is important to highlight, both for the discussion about the impact of the context, and for the transferability of our research.
6 Conclusion

This research aim was to explore how a functional co-leadership dynamic can be created between leaders who are simultaneously founders and owners of a start-up. In pursuit of answering this purpose, the following questions were formulated: what influences a functional co-leadership dynamic and how?

In order to answer these questions, we have looked into different themes influencing the co-leadership dynamics and the contextual factors. From the empirical data came forward that there were recurrent elements, which had a large influence on the co-leadership dynamics. These elements are: Collaborative Attitude, Shared Values & Vision, Open & Continuous Communication, Synergy, Learning & Personal Growth and Trust. These elements were discussed in Chapter 5 and in which they have shown why and how they influence the co-leadership dynamics. Further, the elements are interrelated and therefore, affect each other in various ways. Here below is summarized how they influence the co-leadership dynamic in order for it to be functional:

**Collaborative Attitude** – The Attitude applied to several contexts within the company and the interactions between the co-leaders. It is heavily influenced by Shared Values & Vision. Also, the co-leaders’ background of being an entrepreneur, founder and owner, which influences their view and perspective regarding how the business should be run, its purpose and the collaboration with the co-leaders. The Attitude must be Collaborative, in order for it to positively affect the co-leadership dynamic. A Collaborative Attitude can be improved, through Learning & Personal Growth, as the leaders provide each other with continuous feedback. This requires an Open & Ongoing Communication, which becomes possible through the Synergy of the team and Trust.

**Shared Values & Vision** – Having Shared Values & Vision have shown to be important when the founding teams are formed, it creates a common ground for the co-leaders from which common goals can be created. Among the most relevant values are: equality, fairness, flexibility, honesty, integrity, openness, trust, and transparency. When this common ground is not there, it is hard for leaders to collaborate. It influences the development of a Collaborative Attitude and the Synergy of the teams, Open &
Continuous Communication, Learning & Personal Growth and most importantly, it serves as a base on which Trust can be formed.

*Open & Continuous Communication* – Communication supports all the other elements. There should be an open and ongoing communication between the co-leaders, as it helps to sustain the co-leadership dynamics. It helps the creation of a Collaborative Attitude and the Shared Values & Vision. It supports Learning & Personal Growth, due to the mutual exchange of feedback. Transparency and honesty can only be conveyed with the help of Open & Continuous Communication, which result in Trust.

*Synergy* – The way the team fits together and complement each other in traits, competences and resources is considered to have fundamental value, especially when the company is just founded. By having Synergy, the co-leaders create something bigger than they could have done combined individually. Leaders need to be aware of one another’s traits and competences, in order to have a functioning role division. Personality and ability tests could help to map out someone’s strengths and weaknesses. A pre-established relationship could also be of great aid. It is necessary to be aware of the team members skills and traits, before the company starts expanding and they have to co-lead the business and its employees together. Diversity among the skills and traits in the team is a requisite. Selecting the co-leaders can make or break an organization. It affects several aspects within a company: the skills and knowledge base, the leaders’ motivation and how effective and efficient the roles are divided. Synergy is influenced by Shared Values & Vision and can increase over time through Learning & Personal Growth.

*Learning & Personal Growth* – The element of continuous Learning & Personal Growth clearly became an element which affected the co-leadership dynamic over time. When co-leadership is working well, it creates an environment where Learning & Personal Growth are stimulated. The continuous interactions through conversations and observations help the leaders to learn and grow, which eventually influences their Collaborative Attitude. Equality, mutual exchange of feedback, openness, and good Synergy of the team help create a learning environment. These values are closely related to the Shared Values & Vision, meaning that the values function as a base, from which a learning environment can grow.
Trust – Trust develops as the values are shared among the co-leaders. Pre-established relationships could already provide a base of Trust. Having Open & Continuous Communication is of great support in the development of Trust. In order to have Trust, there is a need for empathy, honesty, integrity and openness. The co-leaders need to be able to trust and rely on each other when they found a business together and, from then on, the Trust between the co-leaders develops further and has an immense influence on the co-leadership dynamics. Trust allows for Learning & Personal Growth to occur and allows for the Synergy of the team. The level of Trust between the leaders reflects entirely on the business.

6.1 Contributions

Our findings first and foremost contribute to the present literature concerning co-leadership dynamics, as they provide an insight regarding which elements make co-leaders’ dynamics functional. As noted when compiling the Frame of Reference, there was very limited literature concerning the elements of Collaborative Attitude and Synergy in the context of co-leadership. A Collaborative Attitude has shown to make a difference in the co-leadership dynamics, as the attitude determines to what extent the leaders are willing to cooperate with one another and adapt to the collective through Learning and Personal Growth. Since, it also influences how egos are managed, responsibility is taken and shared, how conflicts are resolved, and it impacts the starting process of a collaborative culture.

Synergy has proved its relevance, because the co-leaders can create, with the help of their combined and complementing skills and traits, something bigger than the total power of what they could have accomplished individually. Therefore, it is a requisite that the co-leaders are aware of their counterparts’ skills and traits and ensure diversity among the team, before they start their collaboration. We thereby believe that we have made a significant contribution by presenting these and other elements’ importance.

Another contribution is that we provide insights in how the context also plays a role for the co-leaders’ dynamic. The context functions as a facilitator or a barrier for elements to grow stronger, thus it can foster and hinder co-leadership dynamics. In our study, it came forward that the context mainly functioned as a facilitator. Further, it can affect the co-leaders perception of the collaboration and how they view their business.
Entrepreneurship, foundership and ownership have not been explicitly stated to have this impact before, due to it not being studied in this context, which shows that more research in this field has been necessary.

Regarding the context of foundership and ownership, our research contributes to the understanding of the importance of having Shared Values and Vision among the founding teams. Literature states that it is necessary to have common values. Our research adds to the existing literature that the Shared Values need to be present before the founding teams are created. The Shared Values contribute to the development of Trust, the creation of a learning environment and they are represented in the ownership structure.

The created model contributes to an increased understanding of our topic, but can also contribute to more general research concerning team dynamics as well. Since, in the end, co-leadership dynamics concern the dynamics of a leadership team. This could be done by applying the model to other team-based situations, and thereby see if these elements are applicable. This links to the transferability of our research, as the readers will need to determine if our model can be applicable to other settings.

Our research also has contributions to practice, especially for individuals who are working in an entrepreneurial environment where leadership is shared. The next section will therefore focus on the Managerial Implications.

### 6.2 Managerial Implications

This research could aid new entrepreneurial ventures with multiple founders, owners and leaders in creating a functional co-leadership dynamic. As our research has shown, the co-leadership dynamics function as the foundation to support the company. This is a complex topic, therefore the model which was created as a result of this research could provide clarity on the interrelated topics for both entrepreneurs and researchers. When founding a company, each of the elements should be considered, as the co-leaders need to verify whether these elements are present, need to be fulfilled or altered. Suggestions that can be made regarding the elements are:

*Collaborative Attitude* – Attitude is something that the co-leaders bring along, it is part of who they are. The Attitude needs to be closely aligned with the Shared Values & Vision of the founding team. The leaders need to have a Collaborative Attitude, because they
need to be open towards change, feedback and cooperation, which allows room for Learning & Personal Growth. Moreover, it determines the outcome of conflicts. A change of Attitude is further an indication that the person adjusts to the co-leadership dynamics.

**Shared Values & Vision** – Before founding the co-leadership teams, leaders need to be aware of the values and visions of their future co-leaders. Through extensive communication this could be done or with the help of personality tests. Pre-established relationships contribute to the understanding of one’s values and vision. The values among the co-leaders need consist of: equality, fairness, flexibility, honesty, integrity, openness, trust, and transparency. There should be openly communicated about the vision of the leaders, as this needs to be clear from the start before founding the company.

**Open & Continuous Communication** – Communication should be open and ongoing between the co-leaders. It contributes in creating a collective understanding of the Shared Values & Vision of the team, as well as the capabilities. Moreover, it helps to solve conflicts. How the communication takes place depends on the preferences of the founding teams, as long as the communication is continuous. It should be done openly, promoting transparency and honesty which facilitates Trust. Feedback should always be giving and accepted, since it creates opportunities for Learning & Personal Growth for the co-leaders.

**Synergy** – In order to create a synergy of the team members’ capabilities, it is necessary to make sure that there is diversity in the team and complementing skills and traits. The co-leaders need to be aware of which strengths and weaknesses their co-leaders possess, which requires ongoing communication. Pre-established relationships could provide a certain understanding of one’s skills and traits. Another way for leaders to uncover their strengths and weaknesses is to do personality and ability tests. The synergy can change over time, due to the process of Learning & Personal Growth.

**Learning & Personal Growth** – When the Shared Values are pursued, a learning environment can be established. For this it is necessary to have equality, mutual exchange of feedback, openness, and good Synergy of the team. The mutual exchange of feedback through Open & Continuous Communication should therefore be promoted. There should be empathy and understanding towards the learning and growing process. Personal growth should therefore not be obstructed by negative attitudes and hierarchies.
Trust – It is necessary to create an environment where Trust can be established and where it could grow stronger. This includes having Shared Values and Vision, since this could provide a base for building trust. This means that values as empathy, honesty, integrity and openness should be promoted. Pre-established relationships could already provide a base for trust, as the leaders are more aware of one’s values, competences and personalities. For the promotion of Trust, it is required to not have too tight control and allow for people to learn and grow.

Adding to the points above, we also want to underline the importance of the context, and how it can influence the co-leadership dynamics. We thereby advice co-leaders to be aware of the context in which they are operating, and to reflect upon how this can affect their dynamic.

6.3 Limitations

As a limitation of this research it can be mentioned that we have mostly been able to interview only one of the co-leaders in each company. Interviews with the other co-leaders in the company could have provided us with a more holistic view of the particular situation in the company. However, due to time constraints and preferences of the co-leaders, this was not possible. Nonetheless, the interviews with the different companies provided us with multiple and more diverse situations than anticipated, and resulted in various highly relevant insights that enriched our findings.

Another limitation of this research is the amount of interviewees, and the conducted interview time. It could be argued that more interviewees should have been included, in order to provide additional aspects and perspectives. However, since we noticed that the collected data became saturated, we claim that the number of participants and the interview time was sufficient for a trustworthy conclusion. We do, however, also recognize that by conducting more interviews, other topics might have been brought up as well, since every interviewee made a contribution to the data.

Other topics within the subject might have been important regarding the co-leadership dynamics. However, these topics did not come forward in the interviews. We did consider other aspects and areas within the topic of co-leadership dynamics, nonetheless, the
Empirical Findings did not cover these aspects and areas and therefore they were removed from the Frame of Reference.

6.4 Future Research

There is an opportunity for future researchers to dive even deeper into this subject. A more extensive research with a higher amount of interviewees could provide additional insights. Also conducting case studies instead of interviews would be a way to get additional data for a more extensive analysis, especially when conducted over longer time periods. Moreover, since a majority of our interviewees had positive experiences of co-leadership, it can provide future researchers with the incentive to explore co-leadership dynamics which have been unsuccessful. This would be a way to add substance to the topic as a whole, making it easier to comprehend.

Also by looking at co-leadership dynamics in other cultural settings, researchers might find results leading to conclusions that differ from ours. It would thereby be an interesting way to explore cultural differences connected to co-leadership dynamics.

Our opinion is that this subject is still under-researched. Therefore, we do hope and believe that our research will inspire future research on this topic.
References


http://www.businessdictionary.com/definition/attitude.html


http://www.teamtechnology.co.uk/team/dynamics/definition/


Appendix 1

Interview Guide

General

1. Tell us a bit about your company?
2. How did you meet each other?
3. How long have you known each other?
4. What kind of work did you do before?
5. What is your formal role/title in the company?

Start-ups/entrepreneur

6. Why did you decide to found a company? Why did you decide to found a company together?
7. Which skills and traits do you have that benefit the company?
8. What specific skills and competences did you admire in each other? / What skills and competences do you admire in your partner?
9. What have been the greatest challenges when starting your company?
10. How do you see the future of the company?

Co-leadership

11. How would you describe yourself as a leader? Follow-up: And how would you describe your leadership style?
12. What are the pros of having a co-leader? Give examples.
13. What are the cons of having a co-leader? Give examples.
14. What values do you think are important to have when you are leading a business? Why?
15. What values do you think are important when collaborating with each other and sharing the leadership role?
16. What is the most important lesson you have learnt from collaborating with each other?

Dynamics

Form

17. How did you assign the roles in the company? What was it based on? Any specific competences/interests?
18. Which responsibilities do you take in the company? Why?
19. Who takes the lead? Why? Does this change depending on the situation?
20. Are you more task-oriented or social-oriented?
21. What has your main priority in the business? Why?

**Evolve (time)**
22. Did the role division (as planned) change during the job? Why? How?
23. What is something you learnt about yourself during this partnership?
24. Did your collaboration change during the time of working together? How?
25. What do you think about the change in your collaboration? Why?
26. What are your future aspirations concerning the company?

**Communication**
27. How are the strategic decisions in the company made?
28. How often do you meet to discuss the business?
29. Where do you discuss these issues?
30. How do you discuss the day-to-day business?
31. Who is involved in making the strategic decisions?
32. How do you discuss the longer strategic decisions?
33. How do your brainstorm session looks like? / How do you come up with new ideas?

**Conflict management**
34. What has been a struggle in your collaboration? Can you tell us more?
35. How did you overcome the struggle?
36. How do you make decisions when both do not agree with one another? Can you give us an example of when this happened?
37. Do you think the conflicts had a positive impact on your collaboration?
38. How?

**Foundership/ownership**
39. Are you both owners and founders?
40. Do you think the fact that you are a founder/owner influences your leadership style? How?
41. Do you own equally much (as in shares)? What influenced this?
42. What are the values that you set for your company? How do they relate to your own values?
43. What do you think are your responsibilities towards the company as a founder/owner/leader?
44. How do you think your ownership/foundership connection to the company influences your decisions?

**Ending questions**

45. What would be your advice for other co-founders/co-leaders/co-owners?
46. Is there a question who you would have expected us to ask?
47. Is there an issue or area that we have not talked about what you would consider as important?
48. Are you available for a follow-up interview in the form of a phone-interview or an email-interview?
49. Do you know other companies that are co-founded and co-lead that we can contact?
50. Do you want us to present the results or would you be content with receiving our thesis digitally?

**Follow-up questions***

51. How do you think co-leaders can create a functional co-leadership dynamic?
52. What is important for the co-leaders to consider?

*There were questions more specifically related to the company to understand their specific situation. In order to respect and protect their privacy, these questions are not included in the interview guide which is included in the thesis.*
### Table 2 Keywords Used for Secondary Data Collection

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Appendix 3
Information Sheet

INFORMATION SHEET

We write our thesis concerning co-leadership in start-up companies, and thereby want to know more about the topic from first-hand sources. The topic is interesting for us to explore as not much research has been devoted to co-leadership, especially not in the context of start-ups. Being an entrepreneur involves challenges which might affect the co-leadership dynamic, and this is something we want to look into. Also, being a co-founder and/or co-owner is also something that we expect to have an impact on co-leadership and how it works.

As we are asking you to reflect upon both your personal traits and the company characteristics, we understand if you feel uncomfortable answering to some of our questions. There is also a risk that you might share some confidential information by chance. However, we do not wish for this to happen. You do not have to answer any questions, and you do not have to give us any reason for not responding. You may stop participating in the interview at any time that you wish. Concerning confidentiality, we will not be sharing information about you to anyone outside of the research team. The company name, and your identity, will not be disclosed.

The benefits for participating in this study includes a presentation, presented in person or digitally, of the finished thesis. As we will make an in-depth analysis and, we hope to make conclusions that can be of value for your company as well. However, we do not provide any monetary benefit for participation.
Appendix 4
Consent Form

INFORMED CONSENT

Research project title: Co-leadership dynamics in start-ups
Researchers: Filip Handbaek, Priscilla Voorbij

Thank you for agreeing to be interviewed as part of the above research project. This is an interview which is conducted in order to understand the selected topic, co-leadership dynamics within start-up companies. The goal of the interview is to gain empirical data, which will be analyzed for our master thesis. Ethical procedures for academic research require that interviewees explicitly agree to being interviewed and how the information contained in their interview will be used. This consent form is necessary for us to ensure that you understand the purpose of your involvement and that you agree to the conditions of your participation. Would you therefore read the accompanying information sheet and then sign this form to certify that you approve the following:

- the interview will be recorded and a transcript will be produced
- access to the interview transcript will be limited to Filip Handbaek and Priscilla Voorbij, and academic colleagues and researchers with whom they might collaborate as part of the research process
- any summary interview content, or direct quotations from the interview, that are made available through academic publication or other academic outlets will be anonymized so that you cannot be identified, and care will be taken to ensure that other information in the interview that could identify yourself is not revealed
- the name of the company involved will never be disclosed unless otherwise specified
- all or part of the content of your interview may be used: in academic papers, on other feedback events, in an archive of the project. However, the identity of you and the company will remain unknown.
By signing this form I agree that:

1. I am voluntarily taking part in this project. I understand that I do not have to take part, and I can stop the interview at any time. Also, I am free to skip any questions that I am asked.

2. I have read the Information sheet

3. I do not expect to receive any payment for my participation

4. I can request a copy of the transcript of my interview and may make edits I feel necessary to ensure the effectiveness of any agreement made about confidentiality

5. I have been able to ask any questions I might have, and I understand that I am free to contact the researcher with any questions I may have in the future

___________________________________
Signature of the Interviewee

___________________________________
Printed Name of the Interviewee

___________________________________
Signature of the Interviewers

___________________________________
Printed Name of the Interviewers

Date
Appendix 5
How do Founders/Owners Differ from Professional Managers?

<table>
<thead>
<tr>
<th>Motivation and Emotional Orientation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entrepreneurs/founders/owners are ...</strong></td>
<td><strong>Professional managers are ...</strong></td>
</tr>
<tr>
<td>Oriented toward creating, building.</td>
<td>Oriented toward consolidating, surviving, growing.</td>
</tr>
<tr>
<td>Self-oriented, worried about own image; need for “glory high.”</td>
<td>Organization-oriented, worried about company image.</td>
</tr>
<tr>
<td>Jealous of own prerogatives, need for autonomy high.</td>
<td>Interested in developing the organization and subordinates.</td>
</tr>
<tr>
<td>Loyal to own company, “local.”</td>
<td>Loyal to profession of management, “cosmopolitan”.</td>
</tr>
<tr>
<td>Willing and able to take moderate risks on own authority.</td>
<td>Able to take risks, but more cautious and in need of support.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Analytical Orientation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Primarily intuitive, trusting of own intuitions.</td>
<td>Primarily analytical, more cautious about intuitions.</td>
</tr>
<tr>
<td>Long-range time horizon.</td>
<td>Short-range time horizon.</td>
</tr>
<tr>
<td>Holistic; able to see total picture, patterns.</td>
<td>Specific; able to see details and their consequences.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interpersonal Orientation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>“Particularistic,” in the sense of seeing individuals as individuals.</td>
<td>“Universalistic,” in the sense of seeing individuals as members of categories like employees, customers, suppliers and so on.</td>
</tr>
<tr>
<td>Personal, political, involved.</td>
<td>Impersonal, rational, uninvolved.</td>
</tr>
<tr>
<td>Centralist, autocratic.</td>
<td>Participative, delegation-oriented.</td>
</tr>
<tr>
<td>Families ties count.</td>
<td>Family ties are irrelevant.</td>
</tr>
<tr>
<td>Emotional, impatient, easily bored.</td>
<td>Unemotional, patient, persistent.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Structural/Positional Differences</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Have the privileges and risks of ownership.</td>
<td>Have minimal ownership, hence fewer privileges and risks.</td>
</tr>
<tr>
<td>Have secure position by virtue of ownership.</td>
<td>Have less secure position, must constantly prove themselves.</td>
</tr>
<tr>
<td>Are generally highly visible and get close attention.</td>
<td></td>
</tr>
<tr>
<td>founders/owners</td>
<td>professional managers</td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Have the support of family members in the business.</td>
<td>Are often invisible and do not get much attention.</td>
</tr>
<tr>
<td>Have the obligation of dealing with family members and deciding on the priorities family issues should have relative to company issues.</td>
<td>Function alone or with the support of non-family members.</td>
</tr>
<tr>
<td>Have weak bosses, Boards that are under their own control.</td>
<td>Do not have to worry about family issues at all, which are by definition irrelevant.</td>
</tr>
<tr>
<td>Have strong bosses, Boards that are not under their own control.</td>
<td></td>
</tr>
</tbody>
</table>

*Table 3 How do Founders/Owners Differ from Professional Managers (Schein, 1983, p. 26)*
Appendix 6
Company Descriptions

Company A
Company A is based in the province of Småland in Sweden, but has customers worldwide. The company is approximately four years old, and has two co-founders who are also majority owners. A1 owns more in shares than A2 does. There are three other people employed in the company, and there is also a board consisting of three more individuals. The interviewee was one of the co-founders, who was formally in charge of IT.

Company B
Company B is also located in the province of Småland, but is operating internationally. Founded three years ago, there are three co-owners and co-founders working in the company. There are a total of four founders and six co-owners. B1, B2 and B3 operate in the day-to-day business and own equally much in shares. Company B also has a board, in which the other owners are seated. The interview was conducted with one of the co-founders, who has the formal role of CEO and mechanical engineer in the company.

Company C
Company C operates in the province of Västergötland, and is five years old. There are two co-founders in the company, and they also own a majority of the business. The co-leaders own equally much in shares. Around 17 people are employed in Company C. The company has a board consisting of the co-leaders and other owners. The co-founders were interviewed together.

Company D
Company D was a company co-owned and co-lead by D1 with eight others. This was the interviewee’s previous company. However, the insights, the interviewee provided us with, were useful for our research purpose. The company had quite a special ownership structure, since once you did not want to work in the company anymore, you had to get rid of your ownership. The ownership was divided between nine members on all levels in the company. They all owned equally much in shares. D1 used to be the CEO of this company. The company had a board mainly consisting of the owners. It was a trial of five
years and afterwards the company was sold. Currently, he is the sole CEO, owner and founder of his current company, which is located in the province of Småland.

**Company E**
Company E is operating within the provinces of Småland and Östergötland, with the main headquarters in Småland. There are two co-founders in this company, and Company E employ roughly 30 individuals. The co-leaders own equally much in shares. Whether the company has a board is unknown. The interviewee was one of the co-founders, who has the formal role of Head of Sales.

**Company F**
Company F is located in the Netherlands, and was founded more than four years ago by two individuals. Its headquarters are located in the province of North Holland. The co-leaders own equally much in shares. The company has a board with other owners. The number of employees is unknown. The person who was being interviewed is one of the co-founders, and has the formal role of CEO.

**Company G**
Company G is located in the Stockholm region, and has been active for almost 10 years. It consists of two co-founders who are also the owners, and one additional employee who does not own any part of the company. The co-leaders own equally much in shares. The company does not have a board. The person being interviewed was one of the co-founders, with the formal role of CEO.

**Company H**
Company H was founded seven years ago, by three co-founders. Two co-founders are Swedish, while one is Chinese. The company is operating in both Europe and Asia, with offices in Småland, Budapest, Shanghai and Hong Kong. It employs approximately 30 people. H1 and H2 have a larger amount of shares than H3. The company has a board. Our interviewee was one of the Swedish co-founders, who also saw himself as CEO.

**Company I**
Company I is a Dutch company. It has three co-founders who are also the owners of the company. Company I is approximately one year old. There are no formal roles in the company, however, all of the co-founders are operating in the business and they own
equally much in shares. The company does not have a board. There are no other employees in the company. The interviewee was one of the co-founders.

**Company J**

Company J operates both in the region of Stockholm and in the province of Blekinge, and has its headquarters in Blekinge. Company J was founded approximately 10 years ago, by two individuals who are now leading the company together. There are a total of 30 employees. The co-leaders own equally much in shares. The company does not have a board. The interviewee was one of the co-founders, who has the formal role of CEO.