TRANSFORMATIONAL LEADERSHIP’S EFFECT ON MOTIVATION AND TRUST

A case study of Volvo sales region EMEA

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ABSTRACT

The purpose of this paper is to investigate how transformational leadership can affect trust and motivation in the chosen case subsidiary. These two factors have been proven to positively affect knowledge sharing. Therefore, this study wants to understand the effect transformational leadership might have on trust and motivation to, in turn, indirectly affect the competitive advantage derived from knowledge sharing. This study uses a mixed method approach, to get a triangulated view. Both qualitative data collected from personal interviews and quantitative data collected from a questionnaire sent to employees will be used. The interviewed respondents in this study was found to be transformational leaders, however, finding minor gaps in the comparison to the employees’ perspectives. Empowerment, support and commitment was found to increase trust while challenges, feedback, compliments and appreciation was found to increase motivation. The majority of the employees supported the interviewed respondents’ perspectives. This study has not tested more than one leadership style to rule out the effect on motivation and trust they might have. Further, this study does not look into other factors, rather than leadership, which could affect motivation and trust. Additionally, experience of the leader is not taken into consideration.

Keywords: knowledge sharing, motivation, trust, transformational leadership, competitive advantage.
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INTRODUCTION

In order to be successful in a global business environment, a multinational company needs to have a competitive advantage to hold a stronger stance against their competitors (Forsgren, 2015). According to Grant (1996a), one way of achieving this competitive advantage is to internally share the knowledge the company possesses. Knowledge is divided into two categories, explicit and implicit (Kogut & Zander, 2003; Grant, 1996a). Kogut et al. (2003) explain implicit knowledge to be hard to codify, hard to teach, and complex. Additionally, implicit knowledge is also known under the word ‘tacit’ knowledge (Kogut et al., 2003). They further explain explicit knowledge as easier to understand and easier to codify, which means this type of knowledge, in contrast to implicit, exist in manuals and instructions since it is possible to write down. However, it is hard for a company to survive without a combination of both explicit and implicit knowledge (Fraserhealth, n.d.). Many scholars agree upon the importance of knowledge sharing, however, there is no good clear-cut explanation on the difference between knowledge sharing and knowledge transfers (Paulin & Suneson, 2012). One author (Riege, 2005; 2007) uses the two concepts interchangeably when defining the concepts in two of his articles. Therefore, this study will follow the definition of knowledge sharing described by Carmeli, Atwater and Levi (2010) as activities of transferring and/or spreading knowledge between individuals and groups of individuals.

Since leaders are responsible for the individual employees in a company they have the opportunity to change and develop the employees’ mindsets regarding knowledge sharing (Lee, Gillespie, Mann & Wearing, 2010). Additionally, the leaders in a multinational firm focus on the overall performance of the company, therefore, an essential factor for leaders is to invest time in the knowledge sharing processes in order for the company to be successful in the long-run (Srivastava, Bartol & Edwin, 2006). There is no uniform code on how to be a successful leader and since humans are unique, the leaders are often identified by their leadership style (Dubrin, 2007). There exist several leadership styles, which bring up different attributes and characteristics of leadership (Fränkel, 2004). Leadership theories have left the thought of “if you can't measure it, you don’t know what you are talking about” (Bass, 1995, p. 463) to a view of leadership styles which motivate and empower the followers to become the best versions of themselves (Bass, 1995). In the past decades, transformational leadership has become an interesting topic in management research (Bass & Riggio, 2006). Transformational leaders motivate and inspire their employees to both develop individually and to accomplish more than what is asked of them (Bass et al., 2006). In comparison to transactional leadership, where the leader will reward the employees only if they are doing something good and give punishment for something underperformed (Bass et al., 2006). Additionally, Bass et al. (2006) state how transformational leadership is not only beneficial for the individuals but for the overall organizational performance.

Leaders face challenges in their careers, one of these challenges is how they practically are going to encourage employees to share the knowledge they retain (Carmeli, et al., 2010). According to Bock and Kim (2001) the knowledge sharing is an unnatural process and does not occur automatically, therefore, trust and motivation have to exist in order for employees to effectively share the knowledge they possess (Lin, 2006). If these factors are missing
reluctance to share knowledge can arise (Carmeli et al., 2010). They continually explain how reluctance in sharing will limit the effectiveness of the knowledge sharing process. Reige (2005) points out how reluctance can arise due to lack of trust or lack of transparency in recognition systems, which can create motivation for the employees. Furthermore, a focus on position based status or high hierarchy within an organization can foster unwillingness and result in employees who do not want to share their uniqueness, which in turn will impede knowledge sharing (Riege, 2005). Thus, pointing out the importance of trust in relationships (Riege, 2005). Studies highlight the importance of motivation in form of rewards in knowledge sharing processes (Osterloh & Frey, 2000; Lin, 2005). However, monetary rewards are only a quick solution for many organizations in the hope of increasing motivation (Bock et al., 2001). Empirical findings have stated how it takes much more effort for organizations in order for the challenges of increasing motivation to be overcome (Bock et al., 2001; Osterloh et al., 2000).

Limited research has studied how transformational leadership can increase motivation and trust within a subsidiary. Motivation and trust are factors that leaders are believed to be able to affect. Therefore, the purpose of this study is to understand how transformational leadership can affect trust and motivation in order to indirectly affect knowledge sharing within a subsidiary. Further, this can help to understand if there is an indirect effect of leadership on competitive advantage derived from knowledge sharing. This can be used by organizations in order to understand how they should develop their future leaders in order to affect their knowledge sharing processes. This leads to the research question of this study: How does transformational leadership affect knowledge sharing?

To help answer this research question, this study have made a case study of the sales subsidiary EMEA (Europe, Middle-East & Africa) within the division Volvo Construction Equipment (VCE). VCE is the only division out of Volvo group's five divisions (construction equipment, busses, penta, financial services, and trucks), which have leadership as one of their key focus areas (Volvo group, 2014a).
THEORETICAL FRAMEWORK

Grant (1996a) explains the importance of knowledge sharing in order to gain competitive advantage. In recent years, there has been an increased interest in knowledge in today's multinational companies (Carbrera and Carbrera, 2002). Further, Smith (2001) argues how knowledge is one of the growing organizational asset, which should be studied and invested in.

Knowledge sharing

Grant (1996a) developed the foundation of knowledge in the late 20th century which later on have been studied by researchers. Smith (2001) states how both implicit and explicit knowledge are underappreciated and not utilized enough and explains how knowledge is one of the growing organizational assets and should, therefore, valued by organizations. This is due to the fact that knowledge is believed to be a strategic resource and it can be seen as an intangible asset, which makes the knowledge unique and hard to both substitute and replicate (Carbrera et al., 2002). Thus, providing proof of the importance of management of knowledge (Grant, 1996a). The uniqueness of knowledge is taken into consideration when Carbrera et al. (2002) goes in line with Grant’s (1996a) earlier explanation of how knowledge, and the internal sharing of it, can result in a competitive advantage. Smith (2001) explains how today’s information age is affecting the need for knowledge sharing and creates a ‘demand’ for leaders who are willing to invest in the sharing process of knowledge. Smith (2001) believes the handling of knowledge is what ultimately will create managerial success, as long as the leaders are able to value and support employees who possess knowledge. Jensen and Szulanksi (2004) and Grant (1996b) furthermore describe how explicit knowledge is easier to replicate and therefore less unique, which will ultimately not give as much competitive advantage as implicit knowledge would do. Parts of the organizational knowledge are unique since it is dependent on what strategic choices the organization has made in the past (Carbrera et al., 2002). Due to the fact companies have different preconditions it is unlikely they will come up with the exact same knowledge independent of each other, therefore, the knowledge is more exclusive and hard to copy (Carbrera et al., 2002; Forsgren, 2015).

Smith (2001) continues by explaining how important it is for the organization to work with internal knowledge sharing in the form of rewarding contributions, identifying the sharing and sustain it. If managers do not see the way employees work with knowledge it is a risk for the knowledge to be lost for the organization (Smith, 2001). This is important especially if employees decide to leave the company and take their knowledge with them before the knowledge can be shared with others in the organization (Smith, 2001). Continuing to explain how the objective for managers is to understand what type of knowledge is available inside the unit or organization and then set the knowledge in motion in order for it to be shared with others. Some companies might use technological tools to accomplish this. Carbrera et al. (2002) explain one of the advantages of the modern company is the technological development in the form of IT. This means employees can use IT to share
documents and manuals with each other, to enable an uncomplicated sharing of explicit knowledge. Persisting, they mention how other factors rather than technological are often seen as barriers to share knowledge, for example, employees’ inability to see the benefit of investing in sharing activities (both personal and organizational benefits) or their failure to integrate sharing in their everyday tasks. Unfortunately, due to the complexity and difficulty to codify implicit knowledge, managers have to take a different approach in the sharing of implicit knowledge (Smith, 2001).

In order to create a successful knowledge sharing process, especially the sharing of implicit knowledge, the organization needs strategies making employees motivated to explore new ways of working and create a willingness to adopt others ideas into their own work (Carbrera et al., 2002). Different companies will value the different types of knowledge unequally, creating a need for more than one strategy of knowledge management (Carbrera et al., 2002). They continue explaining how the uniqueness of knowledge, compared to other assets, will be significantly more likely to increase in value by being shared. Therefore, it is important to have a strategy to manage the sharing of unique knowledge. When one individual share knowledge to another individual, the receiving individual will be able to absorb and learn. However, they will also be able to retaliate with questions and suggestions for improvements, adding (exponentially) to the value of the knowledge (Carbrera & et al., 2002). They further explain that since knowledge is an asset and seen as a competitive advantage, an increased value of the knowledge will directly result in a higher competitive advantage for the firm.

Riege (2005) argues how it is always a risk of knowledge losing its value in the sharing process, especially when it is tacit knowledge being shared. Thus, managers and their employees have to overcome all barriers they might face when sharing knowledge (Riege, 2005). Continuing to highlight how some barriers of knowledge sharing include reluctance in sharing (fear of reducing job security), lack of time to share, low communication skills, and lack of a working social network, as well as not prioritizing knowledge sharing and lack of leadership who promote sharing. If an individual can overcome the barriers they are facing and successfully share knowledge, they can act as an example for other individuals. Riege (2005) proclaims a high level of sharing of knowledge inside one unit within a company, can heighten knowledge sharing between units and even externally, in extension a unit facing barriers will not be included in heightening knowledge sharing. Riege (2005) further states how a flatter organization will more likely have a higher degree of knowledge sharing due to the employees not being restricted in their communication as would be the case in a strictly hierarchical organization. Leadership has an important role to overcome the barriers of knowledge sharing and enabling the knowledge sharing process (Riege, 2005). There is one belief several scholars agree upon, which is the fact that effective implicit knowledge sharing will create a higher competitive advantage (Grant, 1996b; Forsgren, 2015; Carbrera et al., 2002; Jensen et al., 2004). One way to increase knowledge sharing is by motivating the employees (Lin, 2005).
Motivation

Motivation can be seen as the driving force enabling an action to satisfy an individual’s needs (Ljusenius & Rydqvist, 1999). Moreover, how motivation drives the behavior of an individual. According to Lin (2005), many scholars highlight the importance of motivational factors to enable the knowledge sharing process. Bock et al. (2001) argue how knowledge sharing is seen as being an unnatural process, meaning people will not automatically share their knowledge when it is important, therefore, indicating the need for motivation. Lin (2005) furthermore distinguishes motivation into two categories, extrinsic and intrinsic intentions. Lin (2005) following defines extrinsic intention as predictable organizational rewards and common benefits, additionally intrinsic intention refers to sharing out of your own interest and satisfaction to help co-workers and the company. A clearer definition of extrinsic rewards (or intentions) are rewards which come in a monetary form whereas intrinsic rewards come in the form of feedback and recognition (Osterloh et al., 2000). Bock et al. (2001) explain having a positive attitude towards sharing knowledge has a stronger connection to actually share in comparison to monetary rewards. A monetary reward can be a cause for individuals to share their knowledge, however, it is not an essential force to form a person’s behavior (Bock et al., 2001). They argue how extrinsic intentions, in other words, monetary rewards, is seen as a temporary solution for knowledge sharing since the employees will go back to their old behaviour once the rewards are discontinued. Osterloh et al. (2000) argue how extrinsic rewards provide satisfaction for employees, however, it is a satisfaction independent of the task itself. Leading to employees only outperforming tasks or deadlines if they receive an extra monetary reward (Osterloh et al., 2000). Osterloh et al. (2000) claim extrinsic rewards are only effective in the short-run since it creates a demand for constantly receiving rewards.

Lin (2005) argues that employees’ ways of thinking are hard to develop and therefore many knowledge sharing efforts have not succeeded. Osterloh et al. (2000) further state the advantages of having intrinsic rewards rather than extrinsic. An advantage for intrinsic rewards is how it enables tacit knowledge sharing in ways extrinsic rewards could not achieve as easily. Moreover, intrinsic motivation is better applicable for tasks which need creativity since extrinsic rewards stagger the innovative ways of working (Osterloh et al., 2000). Additionally, intrinsically motivated employees both learn faster and have a deeper conceptual understanding. Osterloh et al. (2000) point out the ideal incentive systems would be the intrinsic, resulting in the content of the work becoming more satisfying and fulfilling for the employee. They further explain how intrinsic rewards are better in the long-run due to an increased interest in the bigger picture in comparison to extrinsic rewards. Even though intrinsic rewards seem to be the best motivational tool, it is difficult to manage, it is risky as well as hard to control and analyze (Osterloh et al., 2000). Extrinsic rewards are easier to manage and provide a possibility for standards, however, employing extrinsic rewards can result in free-riding behaviors and in the long run extrinsic rewards might hinder the flow of, especially, tacit knowledge, whilst intrinsic motivation is strongly connected with the sharing of knowledge (Osterloh et al., 2000). If two individuals share the same incentive schemes e.g. bonus according to profitability, it can create a competitive behavior leading individuals to not giving up their knowledge, thus, resulting in less sharing taking place (Osterloh et al.,
This competitive environment can lead to less trusting relationships between the employees, which will hinder knowledge sharing (Usoro, Sharratt, Tsui & Shekhar, 2007).

Trust

Mayer, Davis and Schoorman (1995) define trust 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). Trust exists between individuals and is dependent on both participants (Mayer et al., 1995). Building trust creates vulnerability were the trustors puts themselves in a riskful situation (Mayer et al., 1995). However, they further explain how trust is not solely about taking a risk, it is defined as a willingness to take the risk.

Trust consists of three characteristics; ability, benevolence, and integrity (Mayer et al., 1995; Usoro et al., 2007). Mayer et al., (1995) explain how the ability dimension is a collection of skills, competencies, and characteristics which allow a person to have influence within a certain field. This ability- or competence-based trust is argued by Usoro et al. (2007) to exists when individuals have a belief that the leader (or group) have knowledge and expertise in a specific area. Benevolence-based trust is explained by Mayer et al. (1995) as the extent trustees (mentors) are supposed to want to do good for the person who trusts them (protégé), regardless of a self-centred profit reason. The mentor should have some certain attachments, such as a relationship to the protégé. Benevolence trust suggests that the mentor desires to support the protégé, despite the fact the mentor is not required to give support due to there not being an extrinsic reward for the actions (Mayer et al., 1995). They continue saying the mentors should want to have a positive impact on the protégés’ careers and to support them in any possible way. Mayer et al., (1995) describe the connection among integrity and trust to involve the trustor’s view of the trustee follows principles the trustor finds tolerable. Usoro et al. (2007) continue to explain certain characteristics that can be enablers to increase integrity trust such as the importance of the mentor having moral standards, which are seen as acceptable for the trustee. Sharratt, Tsui and Shekhar (2007) argue how the behavior is important when creating trust, meaning, what the mentor says goes in line with the actions the mentor takes. These three characteristics, ability, benevolence, and integrity, are related to each other, however, they can also be separable (Mayer et al.,1995). Nevertheless, in order to create efficient knowledge sharing, Usoro et al. (2007) argue all three dimensions of trust should exist. They continually explain the importance of trust in knowledge sharing when stating how their testings of trust resulted in a positive relationship between all three forms of trust and effective knowledge sharing.

Trust and trusting relationship at work is, in fact, a facilitator of knowledge sharing (Mooradian, Renzl & Matzler, 2006; Lee et al., 2010; Usoro et al. 2007). Lee et al. (2010) explain this is due to the leader’s creation of knowledge, which will increase trust in the team. Additionally, trust will, in turn, lead to increased knowledge sharing (Lee et al., 2010). Furthermore, Renzl (2006) states that individual cooperation is essential to knowledge sharing, and trust will improve and facilitate cooperation. Renzl (2006) further explains how trust increases the total knowledge exchange leading to knowledge sharing being more cost efficient and increase the probability that the knowledge obtained from a co-worker is
necessarily understood. This enables the individual to use the received knowledge in a more efficient way (Renzl, 2006). To do this, a trusting relationship is needed, which can be facilitated by a leader (Lee et al., 2010).

**Leadership**

The popular “great man” leadership theories were developed in the 19-20th century and laid the ground for the later established “trait theory”, which is one view of how leaders behave and affect employees behaviors (Kirkpatrick & Locke, 1991). They continue to state how trait stands for leaders’ characteristics and capabilities, which means their motives and their patterns of behaviors. The trait theory brings up the fact that traits are different between leaders and their followers (Kirkpatrick et al., 1991). Additionally, trait theory has done a ‘come-back’ and it has been made clear, leaders who are successful are not like their employees. They continuously explain there is evidence showing certain main traits as a link to leader success. Furthermore, they stress how it is not the traits themselves which are the keys to success but how the leaders are utilizing these traits. Trait theory has later been used as a base for developing leadership styles, for example, transformational leadership style is an extension of the trait theory (Dubrin, 2007).

Dubrin (2007) describes a leader as someone who is inspirational to his/her employees in order to motivate them to achieve their goals, as well as stimulate confidence. Further on, Dubrin explains how leadership is not something which is described uniformly by all researchers and therefore, leadership has several various definitions. Dubrin (2007) is clear in his statement that even though some scholars refer to managers and leaders as different concepts, leadership is a large part of a manager’s role and therefore ‘leaders’ and ‘managers’ can be used interchangeably. Dubrin (2007) mentions interpersonal influence, willingness to take the blame, and influence people by persuasion as some portrayals of leaders. Additionally, leaders often have a combination of skills who make them unique (Dubrin, 2007). Ljusenius et al. (1999) clearly state how knowledge about individual’s behavior and understanding of the psychology behind what motivates individuals are the core for being a good leader. The trait theory does not look into heredity traits such as height, weight, gender and physique. The theory looks into traits that can be developed through experience (Kirkpatrick et al., 1991). Dubrin (2007) explains how it is important to have a trusting relationship between the leader and the employee. If employees do not trust their leader, the leader cannot influence them as effectively. A leader must be able to ‘walk the talk’ (Dubrin, 2007, p. 35) to be able to gain trust from the employees. Further on, a leader with good work ethic is highly valued since they are strongly motivated and can inspire the same to the entire team. Dubrin (2007) continues highlighting, this is why companies today focus on other leadership development and training, to train new leaders for the future. In extension, Politis (2001) establishes that leadership has a positive relationship with knowledge achievement.

Reluctance to share knowledge might occur in workplaces, thus, Carmeli et al. (2011) explain leaders to be the ones who can help the organization to overcome this challenge. Carmeli et al. (2011) stress how it is the leaders whom are close to the employees and have
high-level contact with them, and can, therefore, affect employees behaviors and motivations.

**Transformational leadership**

In 1978, the author James MacGregor Burns defined a difference between the more traditional transactional leadership and transformational leadership (Bass et al., 2006). The former leadership style is defined as the type of leader who ‘exchange one thing for another’, for example, the leader reward good productivity and will threaten with loss of compensation for less productivity (Bass et al., 2006). The latter, transformational leadership, is defined as leaders who motivate and inspire their employees to develop individually and to achieve more than what is asked of them (Bass et al., 2006). Today, the transformational leadership is argued to be one of the most important ideas in business leadership (Mind tools, 2016). A transformational leader is always trying to empower their followers to strive towards objectives, which will benefit not only the individual but also the team and the organization as a whole (Bass et al., 2006). Additionally, they state how transformational leadership will lead to better performance, higher employee satisfaction and a greater commitment to the organization. Bass et al. (2006) further explain the relationship between the follower and the leader to be identifying and inspirational. The employee strives to match their leader and the leader inspires the employee through persuasion and challenges (Bass et al., 2006). ‘The Transformational Leadership Report’ (2007) states how transformational leaders can attract followers by setting higher ideals and values. The report continues with defining transformational leadership by adding the factor that the leader is able to affect the employee by creating a profile the employee can trust, admire and respect. Continuingly the leader can transform the followers by increasing their awareness of tasks and values, the leader is also able to support the employees to focus on team goals and not be stuck in individual thinking (The transformational leadership report, 2007). The forefather of transformational leadership James MacGregor Burns (1978) states transformational leadership as: “leaders and followers raise one another to higher levels of morality and motivation” (p. 20). Bass (1995) argues since transformational leadership encourages self-fulfilment for individuals the individuals will be able to move up one step in Maslow’s model of the hierarchy of human needs, which is often referred to in academia. In the hierarchy, the individual will move from needs of safety and security to needs for achievement and self-actualization (Bass, 1995). Self-actualization is the top of the pyramid in Maslow’s hierarchy of needs and describes an individual's growth towards the fulfilment of their highest needs (Maslow, 1954).

Bass et al. (2006) explain how Avolio, Bass and Jung (1997) developed four components of the transformational leadership style. These four components are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass et al., 2006; Farrell, Flood, Curtain, Hannigan, Dawson & West, 2005). *Idealized influence* describes how transformational leaders inspire their employees to create a willingness to take risks and supporting them when they face challenges (Bass et al., 2006). Additionally, how the leader aspire admiration, respect and trust among the group (Bass et al., 2006). The leaders have the ability to influence their employees. Leaders with high idealized influence are known to be consistent, meaning, their followers know the leader can be trusted to do the right thing proving a strong level of ethics and moral (Bass et al. 2006). *Inspirational
motivation is a component describing leaders who behave motivationally by challenging their employees and have a clear expectation of their employees (Bass et al., 2006). They further argue how this type of leader creates a vivid team spirit with enthusiasm and optimism. The leader furthermore encourages shared values and commitment to the organization’s goal (Bass et al., 2006). Intellectual stimulation describes the type of leader who stimulates the employees to be both creative and innovative by encouraging to think outside the box, have a challenging mind-set and critical reflections (Bass et al., 2006). The intellectual stimulation component stresses the importance of not criticizing individuals mistakes or ideas, which are not in conformity with the leaders (Bass et al., 2006). Individualized consideration focuses on the individuals and their needs (Bass et al., 2006). This type of leader understands and appreciates individuals’ differences and needs in a two-way communication where listening is a big part. The leader delegates tasks in order for individuals to develop their own skills and coach them to develop (Bass et al., 2006). They highlight how a leader can be transformational by following one or more of these components.

The model

![Diagram](Figure 1: The model)

This model is inspired by the concepts studied in this paper (see figure 1). The model is a visual guide and shows a summary of, and the relationship between the concepts. Researchers have come to the conclusion that there is a positive relationship between the concepts motivation and trust to knowledge sharing which is presented in the theoretical framework (Grant, 1996a; Osterloh et al., 2000; Usoro et al., 2007). Therefore, this paper will not test this relationship, it is assumed and accepted. The dotted lines show the assumed relationship. This study will focus on and investigate the relationship between transformational leadership and motivation/trust in a qualitative way, which means a positive relationship in this paper is not of a statistical view. The solid lines show the concepts that will be tested. During the analysis, the first step in this paper is to investigate if the chosen respondents of this study correspond with Bass et al. (2006) four components in the definition of transformational leadership. After establishing if the respondents are transformational leaders, the analysis will discuss the research question of this study.
METHOD

This study wanted to investigate how to increase knowledge sharing in a company and this study found Volvo to be applicable as a case study as they are stating how they see the importance of knowledge sharing in order to affect their competitive advantage in the long run (Volvo group, 2014b). Further, Volvo is constantly developing their leaders with the use of different training programs. Volvo group has identified their employees’ knowledge and skills as being factors helping them fulfil their vision of becoming the world's leading manufacturing of transport solutions with a sustainable mindset (Volvo group, 2014b). Volvo adopts a relatively flat organization structure (Volvo group, 2016b) and this together with the importance Volvo put in their leadership, is believed to show that Volvo utilizes a form of transformational leadership in their organization.

This study has chosen the sales unit EMEA, within Volvo group, as a case for this study. The unit EMEA is an interesting case since they are focusing on their leaders. It is important to develop leaders especially for a sales unit to always adapt to the fast changes in the market and to the customers’ needs (Volvo group, 2011).

Volvo is in the forefront of manufacturing construction equipment, buses, drive systems, trucks, and industrial applications (Volvo group, 2016a). The chosen unit EMEA is a part of Volvo Construction Equipment, and is one of Volvo group’s five divisions (construction equipment, buses, penta, financial services, and trucks).

Data collection

In order to answer this study's purpose and research question, it was chosen to use a case study as it is preferred when having a research question which intends to answer a “why” or a “how” (Ghauri & Grønhaug, 2002). An additional reason for choosing a case study is, like in this case, when one is studying a single organization and its behaviour (Ghauri et al., 2002).

This study has chosen to conduct a mixed-method research with the use of primary data from personal interviews and a questionnaire, this has resulted in a triangulated overview of the studied area which is recommended by Bryman and Bell (2011). A triangulated view gives a holistic overview and improves the accuracy of the results (Ghauri et al., 2002). The quantitative questionnaire is a complement to the qualitative interviews to get a more overall understanding of the concepts being studied. A mixed-method approach was preferred rather than having additional personal interviews, due to personal interviews would only show one perspective which could, in this case, result in a biased data-set. Further, a mixed-method approach was preferred as the risk of biased influence from having only a single case company could be overcome by having multiple data sources (Ghauri et al., 2002). Primary data is seen as more beneficial since it will exist control over the data, as well as ensure the data are connected to the research question (Bryman et al., 2011). The disadvantage with
primary data is that is hard to get access (Ghauri et al., 2002). However, as this study received an early approval to conduct the interviews it was decided to conduct primary data. Nevertheless, the main reason for choosing primary data is the fact that a case study requires it (Ghauri et al., 2002).

**Data collection from interviews**

At the start of this thesis process, a contact was made with the Human Resource manager at EMEA to possibly receive interviews. The reception was positive and the HR manager guided the receipt of three interviews. The respondents are in a position as leaders in EMEA where they are good candidates to be able to answer this study’s research question with relevant information. Further the requirements for choosing the respondents was for the them to work in different teams. Upon request from Volvo, the purpose of this study and guiding questions for the interview were sent to the respondents beforehand. Another reason for sending the questions before the interviews are that these subjects are considered sensitive and therefore, the respondents were given the chance to prepare themselves. This could affect the bias of the answers, however, due to a triangulated view a truer picture will be displayed.

Unfortunately, due to technical issues in email securities, respondent 2 could not open the attached file entailing the questions and had no opportunity to read and prepare for the interview. It is believed to not have a negative effect on the outcome as the questions are open ended and without prior preconceptions. The roles while conducting the interviews were divided, one presented the questions and lead the interview, one kept track of time and made sure all questions were answered and the third took notes and participated when needed.

The interviews were held at the respondents’ workplace since the respondents are believed to be more honest in a comfortable environment (Bryman et al., 2011). Further, the three interviews were held face-to-face in order to ensure easier communication and lower risk of interruptions (Bryman et al., 2011). A decision to conduct semi-structured interviews was made to not limit the respondents’ answers and ensure they can speak freely. Furthermore, a semi-structured interview will allow the interviewees to use follow-up questions and adapt the questions to the respondents which would not be possible in a structured interview (Bryman et al., 2011). Before each interview, the respondents were asked for approval to record the interview. This facilitates when analyzing the data since the data can be controlled in a transcript, due to the interview being held in Swedish and translated into English (see summary in appendix 3-5). Since the interviewers are translating the interview into English themselves, they can more likely ensure to communicate the true meaning of the answers in comparison to an external translator. The interview questions were translated for the interview (see appendix 1). An additional reason for recording is that it will help to focus on the respondent since they do not have to take notes (Bryman et al., 2011). All respondents was asked if it was allowed to use their name and title in this study, however, it was decided to refer to only the title of the respondent, as the title is sufficient to present the data.
Henceforth, the respondents will be referred to Respondent X or RX. Both genders were represented by the interviewed respondents.

**Interview**

Respondent 1 works as a director of strategy and business development for a team in EMEA.Respondent 2 works as a manager of commercial analysis and business intelligence of volume planning for a team in EMEA. Respondent 3 works as a manager for marketing communication and content within EMEA. The interviews were held during week 16 and 17, 2016 and they lasted for approximately 30 minutes. All respondents were positive towards participating.

**Operationalization interview**

The guiding question for the semi-structured interview was asked to all three respondents. After the introduction question, seven questions was used as a guide for the interview (see table 1). Questions connected to transformational leadership are developed and tested by Bass's MLQ (Multifactor Leadership Questionnaire) items on the four components of transformational leadership (Bass et al., 2006). The remaining questions are connected to the concepts of trust and motivation and inspired by the inspirational sources (see table 1).
<table>
<thead>
<tr>
<th>Questions interview</th>
<th>Theoretical framework</th>
<th>Inspired from</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please introduce yourself and your role at EMEA</td>
<td>This question was an introductory question to understand the interviewee's role in the organization. This question was further asked to make sure the respondents are divided into different areas in the division to make the overall result more reliable. The authors wanted to have a clear picture of how knowledgeable and reliable the respondents are.</td>
<td>Bryman and Bell, 2011</td>
</tr>
<tr>
<td>How do you think that you as a leader can affect your followers when they face a challenge?</td>
<td>If a leader follows the idealized influence they are characterized as reassuring their followers when facing obstacles and acting as role models for employees, which are in consensus with the transformational leadership style. This question is connected to the component of 'idealized influence' in transformational leadership and was inspired from Bass' MLQ items to measure the first dimension.</td>
<td>Bass and Riggio, 2006</td>
</tr>
<tr>
<td>How do you create and increase trust in your team (between members and between members and leader)?</td>
<td>This question was asked to understand how trust can be derived from the leader and their actions. This was to understand if transformational leadership has an effect on trust and the efforts made to increase trust. The authors aimed to connect the answers to the three components of trust.</td>
<td>Mayer, Davis and Schoorman, 1995</td>
</tr>
<tr>
<td>How do you think that you as a leader can affect your co-workers' vision of the future within the company?</td>
<td>A leader that follows inspirational motivation will motivate and inspire their followers in a way which creates a commitment to shared goals and visions. This question is connected to the component of 'inspirational motivation' in transformational leadership and was inspired by Bass' MLQ items to measure the second dimension.</td>
<td>Bass and Riggio, 2006</td>
</tr>
<tr>
<td>How do you motivate and increase motivation among your employees? For example to perform tasks, share knowledge etc.</td>
<td>This question was asked to understand how motivation can be derived from the leader and their actions. This was to understand if transformational leadership has an effect on motivation and the efforts made to increase motivation. The authors wanted to understand if their work with motivation goes toward extrinsic or intrinsic.</td>
<td>Lin, 2005</td>
</tr>
<tr>
<td>Does EMEA work more with bonuses as a motivational tool or with recognition and feedback?</td>
<td>This question was asked if the authors did not get a clear answer from the above question and aimed to understand if the leader uses extrinsic or intrinsic rewards as a motivational tool. Additionally, the authors wanted to understand the leader's thoughts and ideas around these two different rewards approaches and hope to understand short versus long term.</td>
<td>Osterloh and Frey, 2000</td>
</tr>
<tr>
<td>How do you think you as a leader can inspire your co-workers to think outside the box when facing problems?</td>
<td>A leader who works with intellectual stimulation encourages creativity, thinking outside the box and trying new approaches to tasks. This question is connected to the component of 'intellectual stimulation' in transformational leadership and was inspired by Bass' MLQ items to measure the third dimension.</td>
<td>Bass and Riggio, 2006</td>
</tr>
<tr>
<td>Do you see yourself as a coach to your co-workers? How important is it to teach and coach?</td>
<td>If a leader follows individualized consideration they understand the uniqueness of all employees and embrace differences as a good thing, here leaders are prone to coaching and teaching their employees. This question is connected to the component of 'individualized consideration' in transformational leadership and was inspired by Bass' MLQ items to measure the fourth and last dimension.</td>
<td>Bass and Riggio, 2006</td>
</tr>
</tbody>
</table>

*Table 1: Operationalization interviews.*
Data collection from questionnaire

A questionnaire was chosen to be conducted with the chosen respondents’ teams to receive a fuller understanding of the relationship of trust and motivation in the teams. The data collected from the questionnaire will give this study an employee perspective, which can be used to deepen the understanding of this study. The HR department in EMEA was contacted to gain permission to conduct a questionnaire. It was not allowed to send a questionnaire to the entire workforce at EMEA, however, it was possible to send it to the respondent of the personal interviews and ask them to distribute the questionnaire to their teams. The answers were not allowed to be analyzed separately and be traced back to the separate leader, therefore the answers from the three teams were all grouped together. To ensure an easy process it was decided to have an online questionnaire, which was sent out by the three respondents to their 22 team members by email on the day of the interviews, with one week deadline. 21 answers were received, which generates a respondent rate of 95 per cent. The questionnaire was created in Google Docs and consisted of nine statements in English (see table 2).

The guidelines from Bryman et al. (2011) have been followed regarding not having guiding statements for the respondents. Further, the statements in the questionnaire are not dependent on each other and does not have to be answered in a specific order, which is the reason for why Google Docs were used and the option to have an open questionnaire. An open questionnaire is when respondents can see all questions at the same time and in this case this is not negative since the questionnaire is transparent (Bryman et al., 2011).

It was decided to use a scale of 1-5 for the respondents to take a stance towards a statement. The meaning of the scale is as follows:

1: I strongly disagree
2: I disagree
3: I have no opinion
4: I agree
5: I strongly agree

The scale is inspired from the recommendation given by Bryman et al. (2011). This to give the respondents an opportunity to answer as closely to the reality as possible, therefore giving them more than three alternatives. However, seeing no use of having more than five alternatives due to it being more complex to define the differences in the alternatives. Additionally, it was chosen to have a neutral answer (“I have no opinion”) to ensure the answers are as truthful as possible. The questionnaire begins with an instruction on how to answer the statements (see appendix 2). This is important since questionnaires can look different and therefore there is a risk that the respondents might be confused (Bryman et al., 2011). In the instructions for the questionnaire, it was clearly stated that the contribution was completely anonymous and the answer would neither be analyzed individually nor be reported back to Volvo. This was to ensure the respondent to be confident to answer the questionnaire as honest as possible and that the answers would not be used against them in any way.
The HR department in EMEA’s requirement was to keep the questionnaire short with a few questions. However, it was considered difficult to have less than nine statements, which was seen as a longer questionnaire by EMEA. Therefore, it was chose to have horizontal answering options due to the number of statements. Furthermore, horizontal answering options will make the questionnaire appear shorter than if vertical options are implemented. Bryman et al. (2011) explain, if there are many statements with the same answering options, a horizontal axis would be to prefer. They further state that it is important for the questionnaire to be simple and easy to make the respondents more positive towards answering. If the questionnaire is compact, there is an increased risk that the respondents would avoid answering the questionnaire (Bryman et al., 2011). This is the reason why closed questions was asked and neither open questions nor any follow up question were included. The answers will be presented in the result section in a table (Table 3).

**Operationalization questionnaire**

These questions are tested by inspirational source (see table 2).

<table>
<thead>
<tr>
<th>Questionnaire</th>
<th>Theoretical framework</th>
<th>Inspired from</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaders in my organization support me when I face a challenge.</td>
<td>This statement was asked to understand if the employees regard their leaders to follow the component idealized influence in transformational leadership. This statement was inspired by Bass’ MLQ items to measure the first dimension of transformational leadership.</td>
<td>Bass and Riggo, 2006</td>
</tr>
<tr>
<td>Leaders in my organization inspire my vision of the future.</td>
<td>This statement was asked to understand if the employees regard their leaders to follow the component inspirational motivation of transformational leadership. This statement was inspired by Bass’ MLQ items to measure the second dimension of transformational leadership.</td>
<td>Bass and Riggo, 2006</td>
</tr>
<tr>
<td>Leaders in my organization inspire my vision of the future.</td>
<td>This statement was asked to understand if the employees regard their leaders to follow the component intellectual stimulation of transformational leadership. This statement was inspired by Bass’ MLQ items to measure the third dimension of transformational leadership.</td>
<td>Bass and Riggo, 2006</td>
</tr>
<tr>
<td>Leaders in my organization coach me in my work.</td>
<td>This statement was asked to understand if the employees regard their leaders to follow the component individualized consideration of transformational leadership. This statement was inspired by Bass’ MLQ items to measure the fourth dimension of transformational leadership.</td>
<td>Bass and Riggo, 2006</td>
</tr>
<tr>
<td>Leaders in my organization increase my motivation in my work environment.</td>
<td>This statement was asked to understand if the employees feel their leaders motivate them.</td>
<td>Lin, 2005</td>
</tr>
<tr>
<td>Leaders in my organization increase my motivation in my work environment.</td>
<td>This statement was asked to understand if the employees consider their leaders to use intrinsic rewards.</td>
<td>Lin, 2005</td>
</tr>
<tr>
<td>If I required help, leaders of my organization would do their best to help me.</td>
<td>This statement was asked to understand if the employees consider having the benevolence trait characteristic towards their leaders.</td>
<td>Usoro, Sharratt, Tsui, and Shakhar, 2007</td>
</tr>
</tbody>
</table>

Table 2: Operationalization questionnaire.
Analyzing the data

Firstly, the analysis will discuss the respondents’ connections to the four components of Bass’ et al. (2006) transformational leadership, considering the employee perspective. If the respondents are found to be transformational leaders, the analysis will continue by discussing how the respondents create and increase motivation, discussing intrinsic and extrinsic rewards. Again, the employee perspective will be included. This will be followed by a discussion of the assumed positive relationship between motivation and knowledge sharing and its effect on competitive advantage, explained in the literature study. In the last section, a discussion will be conducted on how the respondents will increase trust by connecting the data and theories of the three components of trust. Similarly to the motivation section, the trust section will be connected to the assumed positive relationship between trust and knowledge sharing, including the effect on competitive advantage.

Limitations

Some decisions taken during this study might have had a negative effect on the outcome and can be seen as limitations, and should therefore, be taken into consideration in this thesis. This study have not tested more than one leadership style to rule out their effects on motivation and trust that they could have. Styles other than transformational leadership might have an effect on motivation and trust, however these are not identified or studied in this paper. The trait theory used as the theory in this study brings up experience as influencing the traits. However, this study will not take experience into consideration when analyzing the answers. Additionally, the study have not investigated other factors that could increase trust and motivation, such as employees having similar interests and backgrounds. The aim was to send the questionnaire to all employees in EMEA, however, this was not possible which could have affected the outcome since fewer people answered the questionnaire. The answers received from the three respondents’ teams were grouped together which can affect the results in terms of only showing an average and cannot be pinpointed back to the specific leader. This has been taken into consideration when analyzing the data from the questionnaire.
DATA

A full presentation of the data can be found in Appendix 3-5.

Interview 1, Respondent 1 (R1)

R1’s current role at the sales region EMEA is strategy and business developer. R1 has a team of four, however, ten years ago R1 was a manager for a team of two hundred employees. It is asked how R1 can influence the team members when they face a challenge. R1 states how it is important to support the members in a positive way. To have a “positive” challenge and to have a tougher goal will give the employees a feeling of challenge and make them feel they are doing something extra [beyond expected].

When answering the question about trust, R1 says that firstly trust has to be given time. Mentioning how individuals do not feel trust the first time they meet, it takes time for trust to be built up. R1 says that when one as a leader build a team, one need to act in one way and when the team is more mature the leader can act in another way. Meaning that the leader needs to vary [the leadership] over time. R1 continues by saying trust is the base to create good results. R1 explains that one can see in the beginning when having a team how the team is unsure and emphasizes how it is important that the leader leads. Over time, R1 believes the leader can take a step back and let the team lead themselves. R1 continues by explaining how in the beginning of a team setup, a team needs to feel safe so the team does not need to question why they are there, what they are supposed to do, etc. However, the highest ranking [in trust] is that it gives very good results if you build [the team] from the foundation up. Furthermore, R1 explains how conflicts can arise between levels. It is therefore, important to handle the conflicts in a good way, otherwise one can be stuck and unable to move forward, which means the team will never create trust. R1 explains that it can be two individuals not agreeing which create conflicts, however, R1 says leaders themselves can create conflicts by acting in the wrong way. R1 explains how this [type of conflict] can arise by the leader being insecure when giving assignments to the team members.

R1 stresses the importance of communicating a vision that attracts challenges and possibilities when asking how they can affect the team members view of the future. Continuing, how it is important for the employee to not only do something that is fun, but also something that gives the individual more. R1 continues stating how the leader can ask questions [to the members] “in what situation do you feel that you have fun when working”. Explaining the answers often received are that employees enjoy [tasks] when it is a bit tough and challenging. However, after a time the member has reached a plateau. Then it is time for the member to take on a new challenge, either in a new position or in the current role. This study further want to know if the leader can do something to make the member stay and not take a position at a competing company. R1 says “of course the leader can” [laughing] “again, it could depend on the manager whether they leave or not”. R1 states how it is often
the manager being the person who will make the employee comfortable or not in the workplace.

Continuing, it is asked how R1 can motivate and increase motivation among the employees. R1 explains “if you have flow you feel good”. Continuing, that if an employee receives a challenge that is too large or does not have the ability to manage the task, it will result in concern. However, stating “if your challenge doesn’t reflect what you actually can do, you need to lead yourself which is boring”. R1 explains how a manager needs to make a judgement whether the member fits the challenge, which can be hard since one does not know until after if the challenge was too tough or too easy.

R1 explains the importance of motivation, since in the end, it creates results. Motivation decides if the result will be good or bad. Moving on, R1 is asked if they work with a bonus system or feedback to motivate the employees. R1 proclaims little faith in bonus systems by stating an example. If an employee is given 100 [SEK] as a salary increase, the employee might be satisfied until finding out the neighbouring employee received 150 [SEK] increase, then suddenly the member might no longer be satisfied with 100. Additionally, after two weeks the salary increase will be taken for granted by the employee and no longer be seen as a bonus. R1 states this is of course a part of the motivation, however, the content of the work is 80-90% of the motivation. Explaining an important motivator is to give appreciation to the employees in a different way. The motivator number one is to feel “I succeeded with my job”. Another aspect, which is in the second place stated by R1, is that one communicates recognition from the top.

R1 stresses that it is important to find challenging work where the employees can develop within the organization. R1 states that the goal is not to keep the employees in his team, it is instead to develop the company. This mean that sometimes it is good to promote a member to another role or team, unfortunately employees sometimes leave the company. However, R1 stresses that they might come back and be even better. When asking how R1 can inspire the team members to think outside the box when they face a challenge, the answer is that it is possible by challenging and giving employees another perspective. It is asked if it is important to have a shared vision. The answer is that it is important, but it is also important to formulate the goal so everyone understands it. R1 is asked if R1 feels like a coach to the employees, the reply is: sometimes R1 coaches the members, but is unsure. Further stating, with communication one can coach.

The question is turned around and asked how R1 thinks a team would function without trust and motivation. The instant reaction was “No, that is not possible, it will not work”. R1 continues stating that the team would go back to page one, without trust and motivation the leader would need to tell the team members what to do. It becomes an order and the leader would need to control the team and what they do at all times. R1 is asked if R1’s team have team-building days to get to know each other and build trust. R1 said there are good ways in building the teams and says what EMEA does, is that they have a day where the team does something together. The deeper individuals know each other the deeper the trust will be.

Asking how R1 would do when an employee is facing problems, R1 answers how the leader would go in and coach, or sometimes, even give a solution to the member. R1 explains, often
the employee and leader can have a discussion where both sides benefit and can give perspective on the issue at hand. Explaining how the leader has an important role in different ways, sometimes the leader needs to lean towards a more steering leadership. R1 states that one cannot send a football player on a field without rules. Thus, highlighting the importance of a guideline and framework. R1 points out that it is important to vary the leadership, one cannot do the same thing in all situations, instead, one has to feel when to act and when to take a back-seat ride. R1 continues saying that a leader needs to adapt to the individual, some of the employees are open and susceptible to receive criticism. Some may not, R1 points out how in this situation the leader need to give feedback in a more positive way which the employee can learn from.

**Interview 2, Respondent 2 (R2)**

R2 works as a manager for commercial analysis business intelligence of volume planning and has seven employees directly reporting to R2. R2 answers the question on how to influence the employees when they face a challenge by stating two important factors, first and foremost it is communication. Meaning, be clear to the employees what are expected from them. The second factor stated by R2 is confidence, meaning they have the courage to take on an assignment. R2 explains they should be able to take own initiatives and not continuously ask questions.

Continuing, R2 is asked how R2 creates and gains trust in the team. The answer is to be clear and consistent in how one act and communicate, in other words, one cannot give feedback on one thing once and the next time not say anything. Otherwise, R2 highlights the possible creation of insecurity and lack of trust among employees, since the team will focus on how the manager will react and not on how they should act. When R2 answers the question on what happens in a team without trust, it is clear that the respondent believes it will create insecurity. Further, if one feels they do a poor job, one will receive more negative feedback creating a negative circle. Due to lack of trust and insecurity, the employee might think too much on how they should exercise their work and focus on the wrong things [not getting anything done]. R2 explains that the basis is fundamentally about clarity and communication. Continuing, one might have trust from the start, however, things might occur along the way, therefore, there is a need for situational leadership.

R2 was asked how R2 can affect the employee's vision of the future within the company. R2 lifts the importance of having a dialogue with the employee on what they consider interesting. R2 argues most managers want to keep their teams for a certain period of time, however, employees need to eventually change position, there has to be a balance. This will create different perspectives since employees might be locked in their way of thinking.

The respondent is asked how the respondent motivates and creates motivation in the team. R2 answers by explaining how direct and clearly delivered feedback is a factor for motivation. R2 says “I know from experience if the feedback comes two months later one has put it behind and instead one can be perplexed as to why the feedback comes now.” R2 clearly stresses that the faster the feedback is given the better and additionally the clearer and concrete it is, the easier it will be for the employee to absorb. R2 continues by saying that
leaders overall are bad at saying “good job”, sometimes it is enough as feedback. To sum up, respondent 2 explains a broad concrete feedback together with small compliments as “good job” is the best combination.

When asking about bonus systems as motivation, R2 consider it only as a complement. Stating that everyone enjoys receiving money, however, it is on such a high level that one does not feel a concrete participation in the bonus salary. Additionally, R2 states no one will reject an increase in salary, however, R2 do not believe one would work harder because of it. R2 believes a bonus is a reward to some extent, but it is hard to bring forward the employee’s positive behavior through bonuses. R2 is asked if it is easier to affect motivation on a long-term basis with the help of feedback and the answer is “absolutely”. Continuing, an employee will not feel that one is personally responsible for the company success even though the individuals in a way is the reason for the success.

Continuing R2 is asked if R2 work with inspiring team members to think outside the box when they are facing a challenge. R2 explains an important factor is to bring up examples from earlier experiences, to illustrate another way of working which is not the usual way but created good results. R2 says “it is hard to say how to think outside the box since you always think inside the box”. Continuing, the respondent explains Volvo to be driven by processes and highlight that when employees have done something outside the process one has to look to the result. If one let the employee know what is requested they can find their own way to get there. Overall, it is a question of how the leader is reacting, to ask more open questions so they get a chance to think and reflect.

R2 is asked if factors like not being too controlled by their manager will be motivating for the employees, “If you go to work every day and feel that you can tackle new challenges and that you are going to get new challenges, I am convinced that you have happiness when you go to work each morning”.

R2 is asked if R2 feels like a coach to the team and whether it is important to coach as a manager. R2 answers “Yes, I am convinced that this [coaching] will give something to the employee and therefore this is something I work on”. R2 explains how a leader will hinder the creativity if one gives the answer instead of coaching. Continuing, the respondent is asked if the team work with any form of team-building to get to know each other so trust can be created. R2 explains it is imperative to get to know each other outside work and the respondent is convinced that employees will work better together if they do not only talk about work all day. R2 expresses it is to get the employees to foster stronger relationships which will create better communication, leading to simply working better together.

**Interview 3, Respondent 3 (R3)**

R3 is working in the marketing function within the sales region EMEA, one of the four branches called marketing communication and content. Continuing, R3 explains they are 11 in the team, most of them are placed in Eskilstuna, however, four are placed abroad. Explaining it is a lot of coordination since the team is connected with [division] global.
R3 explains, in order to create a unified team one has to work with motivation and the most important factor for effective leadership is information. Information is something one cannot overwhelm someone with. However, being generous with information does not particularly mean one has all information or that one is allowed to share all information. R3 sees information as the stepping stone to creating trust, additionally, trust is built both ways so the team members feel that the leader is open so they can be open to. If trust exists in the relationship, the member can feel safe to let their guard down. It is not always the leader who is the one with all answers, the answer has to be developed together with the team. The leader has to be able to say “You know what? I was wrong”. Additionally, it is important to create the base and preconditions of what are the ground rules in the team. This to make sure the members know what is expected of them and what is acceptable. The leader needs to be consistent and determined regarding the rules, this will create some form of stability in what roles the members have in the team and what they are supposed to do. R3 continuous “for me it is the drive that everybody feels that turns into loyalty towards the team and the positive feeling is strengthened. But there lies my biggest duty, to facilitate this process”.

R3 states if one learns to respect that people are different one will find it easier to understand them. This due to the existence of trust and the feeling that it is okay to be different, and instead seeing the positivity in diversity. R3 is asked how the leader can affect a team member when the member face a challenge. The answer is that R3 believes it is important to have a uniform vision and trust in the team. Team members feeling of trust depends on the empowerment given by the leader, meaning the member is not highly controlled in their work.

When asking R3 how to increase trust the answer is that trust is based on clear regulations to ensure everyone is on the same page. R3 states the importance of how it is not about what you say, it is rather about how you say it. Further, R3 answers how a leader might affect the team members’ visions of the future. Stating that the key word is information, the member needs to see their part of the whole picture so they know where they are going, this will create engagement and involvement. R3 believes this is what creates motivation and the member will feel more rooted in their role. Continuing the respondent says “regardless of where I get the information, it is considered trust”.

R3 moves on to the question regarding how a leader can create and increase motivation in a team, “I believe that motivation lies within all people we have [in the team] or, I know it does”. The foundation is that everyone is motivated. R3 believes motivation will increase when people believe in their leader, like when given information and empowerment.

R3 explains everyone can lack motivation, however, if it is a continuous lack of motivation the first step might be to have a conversation with the employee, to coach them to the right pathway or ask questions to understand where the behavior comes from. R3 says it might as well be a downturn, or that the employee is feeling done with the existing role they have. Explaining how the case can be that the employee is having too easy work tasks, then R3 says as a manager is possible to adjust that.
Furthermore, R3 says bonus systems exist in Volvo, but it is an overall and general system. Stressing it is not the biggest motivational factor, and brings up that motivation is all about appreciation and feedback, not only from R3 as a manager but from other co-workers as well. R3 argues how it is the way they are working, to be generous with appreciation within the team since it will be more beneficial than the bonus of money. R3 is asked how to inspire the team members in the team to think outside the box. R3 answers this question by saying it is interesting since they are currently working a lot with it. Pointing out how every team member should do one or two activities each year apart from the framework they have, with the aim to always challenge themselves and to think outside the box. Stating that it is about consciously trying something new and then in the end of the year reflect on the performed activity.

R3 brings up the question whether R3 is being seen as a coach to the employees. R3 answers yes and explains how the fundament is for everyone to be seen in the workplace since that is what is needed. Stating the importance to be appreciated and that the employees need to have the tools to be able to do a good job. R3 highlights if someone have done something wrong, one has to be able to have an open dialogue to be able to talk about it, not to point fingers but to analyze what could have been done differently.

### Questionnaire

<table>
<thead>
<tr>
<th>Questions</th>
<th>I strongly disagree</th>
<th>I disagree</th>
<th>I have no opinion</th>
<th>I agree</th>
<th>I strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaders in my organization support me when I face a challenge.</td>
<td>0%</td>
<td>0%</td>
<td>7%</td>
<td>02%</td>
<td>33%</td>
</tr>
<tr>
<td>Leaders in my organization inspire my vision of the future.</td>
<td>0%</td>
<td>10%</td>
<td>38%</td>
<td>48%</td>
<td>5%</td>
</tr>
<tr>
<td>Leaders in my organization motivate me to think outside the box when I face a problem.</td>
<td>0%</td>
<td>5%</td>
<td>24%</td>
<td>62%</td>
<td>10%</td>
</tr>
<tr>
<td>Leaders in my organization coach me in my work.</td>
<td>0%</td>
<td>10%</td>
<td>14%</td>
<td>62%</td>
<td>14%</td>
</tr>
<tr>
<td>Leaders in my organization increase my motivation in my work environment</td>
<td>0%</td>
<td>24%</td>
<td>10%</td>
<td>52%</td>
<td>14%</td>
</tr>
<tr>
<td>Leaders in my organization gives me recognition when I have done a good job.</td>
<td>0%</td>
<td>0%</td>
<td>14%</td>
<td>57%</td>
<td>29%</td>
</tr>
<tr>
<td>If I require help, leaders in my organization would do their best to help me.</td>
<td>0%</td>
<td>5%</td>
<td>5%</td>
<td>52%</td>
<td>38%</td>
</tr>
<tr>
<td>I believe leaders in my organization are competent and an effective source of expertise.</td>
<td>0%</td>
<td>10%</td>
<td>19%</td>
<td>62%</td>
<td>10%</td>
</tr>
<tr>
<td>I believe leaders in my organization would keep his/her commitments.</td>
<td>0%</td>
<td>5%</td>
<td>10%</td>
<td>52%</td>
<td>28%</td>
</tr>
</tbody>
</table>

*Table 3: Data questionnaire.*
DISCUSSION & ANALYZIS

Due to the fact that the three respondents work in different areas, the data have had some contrasting viewpoints. This has resulted in a deeper reflection of how the leaders in EMEA operate. As mentioned in the theoretical framework, the transformational leadership is grounded in four pillars and in order to be considered a transformational leader one need to fulfil at least one of the components (Bass et al., 2006).

Transformational leadership

When employees face a challenge, the respondents of this study, Respondent 1 (R1), Respondent 2 (R2) and Respondent 3 (R3), have a positive attitude towards helping their team-members. Although, they have different approaches on how to manage this. R1 is highlighting the importance of both supporting the employees and make the employees feel safe in their work environment. This goes in line with the first component, idealized influence, of the transformational leadership style described by Bass et al. (2006). When a leader follows the component idealized influence, the leader wants to help the employees overcome challenges. This indicates, if the leader is there to help and support, the employees will know it is tolerable to occasionally fail as the support is consequent. R2 follows another direction when mentioning communication, consistency and clarity as key factors for helping the employees. Furthermore, R2 highlights the essentials of making the employees feel confident and courageous enough to take on assignments. These factors follow the first component of Bass et al. (2006) transformational leadership style, which includes creating a willingness to take risks and consistency in the leadership. Consistency in leadership leads to trustful relationships which prove a leader with high level of ethic and morale (Bass et al., 2006). Pointing to the fact that if the leader has strong ethics and morale, employees dare to take risks as they know the guidelines and rules which will be followed. Indicating, if the leader is consistent and follows the ethics in every setting, the leader will prevent uncertainty in the team. R3 follows a similar direction and focus to a larger extent on giving directions and creating respect in the team. R3 has the same opinion as R2 when highlighting consistency to be important. Moreover, R3 argues the vital fact of empowering team members. As mentioned earlier, Bass et al. (2006) stress consistency and willingness to take risks as important factors in idealized influence, further, respect is additionally lifted as a factor the leader is supposed to strive towards. Implying how empowerment and respect for the employee will make the employee more prone to take own initiatives and risks which might pay off for the individual and the organization.

The interviewed leaders in EMEA believe they support their employees when they face a challenge, which goes in line with transformational leadership. The employee questionnaire, where 95% of their team members answered “I agree” or “I strongly agree” to the first statement (see table 3) signals the leaders are being supportive when employees face challenges. This indicates there is no gap between the leaders’ and the employees’ perceptions in regards to the idealized influence component of Bass et al. (2006) transformational leadership.
R1 strongly points out the necessity of communicating a vision, which attracts challenges and possibilities. This will, in turn, give something more to the employee leading to their everyday work day being more enjoyable. According to Bass et al. (2006), the second component in transformational leadership, inspirational motivation, expresses an environment with enthusiasm and demonstrates a commitment towards a shared vision. Hence, enthusiasm creates a positive spirit in the team, which will make the employees feel happy when they go to work. R2 emphasizes the vital fact of how a leader must portray a clear picture of what is expected of the employee. This is clearly supported by the second component of transformational leadership, describing that the leader should clearly communicate what the employee is supposed to do. R3 argues how it is essential to share information in the team in order for the team members to see their part in a broader picture to increase their involvement in the organization. As a result, R3 follows the second component of transformational leadership by portraying a compelling vision of the future. Since R3 is striving to share information with the employees, R3 will create transparency and a feeling of involvement in the future development of the organization. This is considered important as the employees will feel a positive view of their future in the company.

The respondents emphasize the importance of having clearly communicated expectations and state how they try to inspire their employees’ visions of the future. However, the questionnaire from the employees’ perspective shows an uncertain view. 52% of the employees agree, and strongly agree, that the leader inspires their vision of the future. In addition, a staggering 38% state they have no opinion, while 10% disagree with statement 2 (see table 3). One reason for this can be that the employees do not feel their leaders are their main source of inspiration for the future. Another reason can be that this statement is too complex to trace back to one’s leader. The vision of one’s future can be difficult to analyze since it is an individual understanding and might not be something one actively think about. Furthermore, the difference in answers can be due to low inspiration from one of the three leaders where one team affect the grouped data set. Still, the majority feel their leader affect their vision of the future.

R1 argues the importance of helping one’s employees to see tasks from a different perspective. This follows the third component of transformational leadership (Bass et al., 2006), by encouraging the employees to think outside the box. However, R1 does not correspond strongly to this component due to uncertainty while answering this question. Similarly, R2 tries to ask the employees open questions to give them a chance to think and reflect. Nevertheless, R2 finds it difficult to challenge thinking that is outside the box as R2 says “it is hard to make employees think outside their normal thinking pattern”. R2 corresponds, although not strongly, to the component of transformational leadership, which states a leader should have a critical mind-set and use challenging reflections to make the employees be able to reflect in a critical way (Bass et al. 2006). R3 on the contrary, works openly with challenging the way the employees think by encouraging them to take on new tasks and new ways of working. Further, R3 expresses that R3 as a leader is never pointing fingers or puts blame on specific individuals. Instead, R3 wants the employees to be able to learn from their mistakes by having an open dialogue. This strongly follows the third component, intellectual stimulation, which brings up the importance of having a reflective mind-set and to not criticize individuals when they make mistakes.
Two of the respondents portray a difficulty in challenging their employees to think outside the box. However, when looking to the answers from the three respondents’ team members, 71% believe their leaders have a positive effect on their perspectives and motivation to think outside the box (see table 3). This points to a small gap in understanding. The reality might be that the leaders do not realize how and if they challenge their employees’ mind-sets, which can explain the difference in perspectives.

Both R1 and R2 express difficulties in coaching. R1 coaches sometimes, however, focuses on communicating with the employees rather than using the term of coaching, therefore, R1 has a low connection to the fourth component. R2 additionally states, coaching is a useful tool and has a belief that this will give something of value to the employee. This is an area where R2 feels a need to develop. However, R2’s approach follows the fourth and last component of Bass et al. (2006) transformational leadership style, which clearly states the importance of considering the individuals and their different needs. By stating how diversity is seen as a positive aspect and how all individuals are appreciated through respect and understanding, R3 clearly corresponds to the fourth component. R3 believes to be a coach and puts emphasize on the importance of all individuals to feel seen in their workplace, by listening and having a two-way communication. The fourth component, individualized consideration, highlights the focus on all employees and their individual needs and additionally the listening element of communication (Bass et al., 2006).

Again, two of the respondents display difficulties in coaching their employees. 76% of the asked employees, however, state that they agree or even strongly agree when asked if their leaders coach them in their work (see table 3). This gap can be due to the individual's own definition and feeling of being coached. Pointing to how a leader might be a coaching leader without knowing it, due to their own definition not going in line with the employees.

When looking into the four components of Bass et al. (2006) transformational leadership style, it is concluded that all three of the respondents did not follow all four components, however, this is not requested in order to be a transformational leader. R1 and R2 strongly follows idealized influence and inspirational motivation, additionally they had some connections to intellectual stimulation and R2 strives towards individualized consideration. The third respondent, R3, strongly follows all four components. Thus, all three respondents are transformational leaders. The difference in how they work with these four components might be connected to their specific work areas, where different components are more or less prominent. For example, working in marketing might need more creativity and thinking outside the box in comparison to working with business intelligence. However, considering the overall definition of transformational leadership, all three respondents follow the idea of transformational leadership. All respondents work hard with giving the employees challenges and striving to lift their employee's wishes above their own interests.
Motivation

As stated, motivation is divided in two categories, intrinsic and extrinsic rewards, (Osterloh et al., 2000).

Intrinsic motivation

Several practices were mentioned by the respondents to increase motivation in a team. Firstly, all three respondents brought up challenges when they were asked about how they create and increase motivation in a team. R1 considers how the leader needs to find the right challenge for the employee in order for the challenge or task to be motivating. R1 concludes, if the task is not challenging the employee’s abilities, the challenge will not be developing, thus not motivating. R2 agrees, “challenges are motivating” and explains one way to give the employees new challenges is to make them try a new role, which could be inside or outside the existing team. R2 further expresses how a challenge will make the employee more satisfied. Additionally, R3 agrees with the previous respondents and explains how challenges are a part of the team's everyday work and how it is important for the leader to encourage challenges. Secondly, feedback, compliments, and appreciation are mentioned by the respondents to have a significant impact on employee’s motivation.

What the respondents have said about motivation and challenges goes in line with the view of intrinsic rewards, which gives self-fulfilment for the employee. Intrinsic rewards come in the form of feedback and recognition, not in a monetary form such as bonuses (Osterloh et al., 2000). Additionally, what has been said by the respondents follow the transformational leadership style in several instances. The idea of transformational leadership is to inspire employees and help them to develop individually as well as make the employees achieve more than what is asked of them (Bass et al., 2006). Further, a transformational leader motivates their employees by providing challenges and persuasion, together with support from the leader (Bass et al., 2006). Bass (1995) explains how challenges will enable the employees to move upward in the hierarchy of needs created by Maslow, to reach the highest step in the hierarchy, which is self-actualization.

This indicates how having challenges will give the employee an inner drive and make the employee feel more satisfied towards going to work. This points to how challenges will lead to an intrinsic reward and will give the employee an incentive to accomplish the task in the best possible way. To be motivated by challenges are additionally a factor of transformational leadership (Bass et al., 2006). Further, having challenges is discussed by Bass (1995) to reach a higher self-fulfilment and will make the employees feel better about themselves, thus, leading to increased motivation. Pointing to, when the challenges are not a sufficient match for the employees, the leader needs to change the challenge in some way to make the employees reach this inner satisfaction. Indicating, only a positive challenge where the employee is satisfied, with a matching level of difficulty, will be seen as motivating. As a result, a non-satisfying challenge or a too difficult challenge, will not enable the employee to step up in the hierarchy of needs and will instead be demotivating. Feedback, compliments and appreciation are factors, which all respondents describe as motivating in the employee’s everyday work. This is intrinsic rewards for the employees which they do not get money for.
From the respondents’ perspectives, intrinsic rewards seem to be the most appreciated among their employees. Meaning, this inner positive feeling received from feedback will help the employees to achieve more than what is asked of them as they will be motivated to do so.

The fact that leaders provide recognition to the employees is supported by 86% of the asked employees, who state they agree or strongly agree that their leaders give recognition to a work well done (see table 3). Moreover, this points to leaders in EMEA working with intrinsic motivational tools. Additionally, 66% (see table 3) of the employees agree or strongly agrees that their leaders motivate them in their workplace. 24% state how they do not agree their leader motivates them. This indicates what the leaders believe to be motivating might not be the case for the employees, or the employee do not see their leader as their main source of motivation. The 24% of the employees, who do not agree, can be from one of the teams and does not necessarily represent all three studied leaders. Further, the challenges given to the employees might not be at the right level, and therefore not motivating as explained by R1.

**Extrinsic motivation**

All three respondents believe extrinsic rewards, such as bonuses, are not a way to motivate employees in the long run. For example, R2 explains how the bonuses employees might receive are on such a scale it cannot be traced back to individual performances and therefore difficult to connect to motivation.

This goes in line with what Osterloh et al. (2000) explain about extrinsic rewards, as the monetary reward is not connected to the task itself and is seen as a temporary solution only working in the short-run. Additionally, extrinsic rewards can hinder creativity and the innovative way of working. Osterloh et al. (2000) point out intrinsic rewards will result in increased satisfaction for the employee and goes in line with the respondents’ ideas of how extrinsic rewards are not as fulfilling as intrinsic rewards.

Leaders in EMEA are working, to a larger extent, with intrinsic rewards in comparison to bonuses, in order to motivate their employees. Extrinsic rewards, in terms of bonuses, are not seen as being as effective as intrinsic rewards. This goes in line with what Bock et al. (2001) highlight when discussing monetary rewards, lifting how these rewards do not have a significant relationship with knowledge sharing. Although extrinsic rewards, such as bonuses, are connected to knowledge sharing it is only seen as a temporary solution and will not hold effectively in the long run. As found in this study, EMEA works more with intrinsic motivation, this has the advantage of enabling creativity as stated by Osterloh et al. (2000), further intrinsic motivation will lead to a higher level of tacit knowledge sharing. Meaning it creates a higher competitive advantage, following the study of Grant (1996b). Moreover, according to Osterloh et al. (2000), if a subsidiary works with intrinsic rewards, the employees will become more satisfied and the task will be more fulfilling for the employees. This points to further advantages other than knowledge sharing, as the employee will deliver higher performance and more likely stay within the company as they feel comfort and challenge, giving them less reason to leave the company. Thus, competence will not be lost.
Following the data and the theoretical framework in this study, this points to EMEA working with intrinsic rewards in a way that is enabling tacit knowledge sharing which is beneficial for the subsidiary as it will create a competitive advantage in the long run.

**Trust**

As mentioned in the theoretical framework, trust is divided into 3 characteristics (ability, benevolence and integrity), which all are seen as important for knowledge to be shared effectively (Mayer et al., 1995; Usoro et al., 2007).

**Ability**

R3 states trust to be mainly developed through empowerment and encouraging the employees to be involved in a broader picture within the organization. Additionally, R3 expresses the vital fact of having clear expectations on the employees. This means, providing the employees with clear goals and simultaneously empowering the employees to make them feel they can manage the goals themselves. Thus, to be empowered is also to be given a challenge as the employee will be required to reach the goal. R2 agrees with R3 on the importance of communicating clear expectations to the employees, in order to develop trust.

The ability characteristic of trust identifies the belief one party has in the other’s expertise (Mayer et al., 1995). This goes in line with transformational leadership where it is stated that the leaders empower their employees to reach higher objectives (Bass et al., 2006). This points to the fact that the leaders need to believe in their employees and their abilities in order to be able to give empowerment. Otherwise, they will not give empowerment as it can damage the result if the employee cannot manage the task at hand. When giving employees empowerment, it will additionally give them a challenge since this leads to a need of creativity. This points to the employees requiring expertise in the area to be able to accomplish the challenge given by the leader. Empowerment might further lead to involvement since the employees get higher responsibilities. Additionally, this indicates that if the leader is able to be clear with their expectations toward the employees, the employees will know what are expected of them. Meaning, the leader believes in the employees’ abilities to learn and manage the expectations. Since all respondents said that giving the employees challenges are developing for the employee, meaning the employee believe they can do it themselves without being constantly controlled is an indication that ability trust exists in EMEA. Without expertise, the leader would not trust the employee to be able to manage a new challenge themselves and if so, the leader would not empower the employee to take on new challenges.

From an employee perspective, 71% agree and strongly agree their leaders are an effective source of expertise. This indicates how the majority of the employees have trust in their leader’s knowledge. When employees have trust in their leader, they can easier take on challenges given by the leader as the employees know the leader believes in the employees’ expertise to manage the challenge. If the leader has expertise in the area, the leader will
know what is requested of an employee to manage the task as well as which employee is suitable for each specific task.

Employees at EMEA are in possession of specific expertise, which they were hired for, hence, the increase of ability trust is dependent on the leader and in the end, it is a question of empowering the employees. Through empowerment and belief in the expertise of leaders and employees, the leader can create and/or increase ability trust, which is one important component of trust in order to increase and create efficient knowledge sharing.

**Benevolence**

R1 explains, in order to create trust in the workplace one has to let it take time, meaning trust is not created overnight. Furthermore, employees should feel safe in their role in the team, in order for trust to be created, i.e. they should know why they are there and their main tasks. R1 highlights how conflicts arising in teams will hinder the creation of trust. Additionally, R1 states, in order to increase trust in the workplace the leader needs to have a varying leadership. This is supported by R2 who states there is a need for situational leadership when creating and working with trust in a team. R1 additionally highlight the importance of the leader supporting the employees.

The second characteristic of trust, benevolence, states the essential need of support from the mentor to the protégé, as well as a certain relationship between them (Mayer et al., 1995). Having support follows transformational leadership characteristics such as giving the employee higher satisfaction through confidence (Bass et al., 2006). Furthermore, it is important for the leader to support the employee and to help the employee to focus on team goals. The leader is further expected to do the right thing from an ethical and moral perspective, i.e. practice what you preach, and appreciate the employee's individuality and their specific needs (Bass et al., 2006).

One of the main areas lifted by the respondents is to support the employees, which is also lifted as the main characteristic of benevolence trust and furthermore brought up by transformational leadership. This indicates, that by supporting the employees the leader can help employees overcome conflicts. Further pointing to if the employees know that they have the leaders support, the employees can feel safer in their workplace as the leader will lead by example. Furthermore, to feel safe, supported, and by having a good relationship with their leader create higher satisfaction for the employees. This demonstrates the importance for employees to know their leader is there to support in cases where the employees are not able to resolve a conflict themselves. For support to be effective, the leader needs to know in which situations, and to what degree, the leader needs to support the employees. This indicates a need for situational leadership, which is supported by the respondents and the theory of transformational leadership. Additionally, if the team is able to overcome conflicts, the team will become even stronger since they develop more trust.

91% of employees agree, and strongly agree, their leader will do their best to support them if they require help (see table 3). The significantly clear percentage points to the existence of benevolence trust among employees towards their leaders in EMEA and how leaders in EMEA work, clearly present an existence of benevolence trust.
Support through situational leadership to make the employees feel safe will, therefore, create and/or increase benevolence trust, which leads to increased knowledge sharing. This is due to trusting relationships at work are a facilitator for knowledge sharing (Usoro et. al., 2007).

**Integrity**

R2 and R3 both argue, two of the fundamental aspects of building trust are consistency and communication of information to the team. While R3 additionally points out one aspect of communication, two-way communication, to be the key to build trust. This is demonstrated through the motto “it is not about what you say, it is rather how you say it”. R3 further explains, by communication R3 can hold commitments to the team by giving them updates and information. R3 argues, the leader needs to be open towards the employees in order for the employees to feel confident and to be open themselves and not build walls between each other.

The third and last characteristic of trust is integrity, which states the importance in creating trust is based on principles and commitments. In order for trust to be built, it is important the trustee follows principles which are seen as tolerable for the trustor (Mayer et al., 1995). This goes in line with transformational leadership, especially the component of idealized influence, where it is explained how the leader will be known to be consistent and the employees can trust their leader to do the right thing. This proves a leader with higher morale and ethics (Bass et al., 2006). Additionally, the component of inspirational motivation provides a leader that encourages shared values and a commitment to the organizational goals (Bass et al., 2006).

This points in the direction of two factors affecting integrity trust in EMEA. The first aspect is consistency, meaning the leader should be consistent in their approach to the employees. Being consistent is brought up both in Bass’s transformational leadership and by R2 and R3. With consistency, the employees know how the leaders will react and therefore might find behaviors more tolerable since the actions are expected and will not make the employees doubtful. This points toward making sure there is an openness in the team which will prevent barriers between the leader and the team. Due to there not existing uncertainty in regards to the leader’s reactions. Communication is the second aspect linking to integrity trust provided by the respondents. During all interviews, communication was mentioned several times when talking about building trust. R3 argues how R3 as a leader is able to hold commitments to the team with the help of communication. This by giving the employees information to make them feel a part of the broader picture. This goes in line with transformational leadership and the aspect of integrity trust, which both point out the importance of commitments. This shows commitments being conveyed with the help of communication. If leaders clearly communicate their commitments to the team, it will make employees feel committed to the team. Proving how it is not enough to be committed, the leader needs to communicate the commitment in order for the employee to believe it. Commitment from a leader indicates the leader believes in the team, which in turn creates trust. However, communication itself cannot create commitment, it is dependent on a two-way communication between the leader and the team, which R3 states is the key in
communication. R3 argues the main aspect of two-way communication, in order for building trust, is to think about how one is communicating. As a leader, it is important to think about how to articulate what one is saying. This in order for the employee to take on the communicated message in the best possible way. Bass et al. (2006) point to the importance of having a leader who provides moral, which is demonstrated when a leader takes into consideration the moral way of how to communicate with the employees.

When the employees were asked whether or not they believe their leaders keep their commitments, 85% agree and strongly agree the leaders do (see table 3). This points to communication existing in regards to what the commitments are since the employees feel the commitments are being fulfilled. This indicates the employees feel their leaders portray strong integrity trust.

The respondents highlight other factors of importance when discussing the creation of trust, which does not necessarily correspond to the three characteristics of trust. They explain how they sometimes have activities and team-building days to strengthen the bonds between the members of the team. Concluding the importance for the members to have a deeper level of trust, which will be gained by the members knowing each other on a personal level. This aspect is not brought up by neither the transformational leadership theory nor the three aspects of trust, however, it is seen as important for the respondents. This can nevertheless be connected to Dubrin’s (2007) overall explanation of leadership, where it is stated the relationship of trust is important in order for the leader to effectively work together with the team. The respondents explain several ways for them to increase and create trust. However, the factors discussed in the trust part of this analysis were seen to be connected to transformational leadership theory as well as the concepts of the three aspects of trust.

Lack of trust will increase the fear of losing one's job and if this barrier is overcome, knowledge can be successfully shared (Riege, 2005). As stated by Usoro et al. (2007) all three components of trust should be fulfilled in order for knowledge sharing to be efficient. When following the data from the interviewed respondents, all three components of trust are not fulfilled for each leader, however, when analyzing the data from the interviewed employees all three components are represented. Although this is grouped data and could show a skewed picture and, therefore, it is hard to conclude if efficient knowledge sharing exist in EMEA. However, trust does exist in EMEA and according to Lee et al (2010) and Usoro et al. (2007) trust is a facilitator of knowledge sharing and will increase knowledge sharing. Pointing to knowledge sharing existing in EMEA, even though not supported to be efficient since not all three components of trust can be determined to exist in all leaders. Efficient knowledge sharing derived from trust is an area for EMEA to improve, in order to receive a higher competitive advantage.

It is proven that a competitive advantage can be derived from sharing knowledge internally in an organization (Grant, 1996a). Further based on the literature study it was found that motivation and trust increase knowledge sharing (Lee, et al. 2010; Usoro et al., 2007; Osterloh et al., 2000). Additionally, leadership is proven to have a positive relationship with knowledge achievement (Politis, 2001). This study has investigated how transformational leadership help to increase motivation and trust in the subsidiary EMEA. The studied leaders in EMEA were found to be transformational leaders. From their testimonies, the conclusion
is that there are some factors that a transformational leader is able to affect in order to increase and/or create motivation and trust.
CONCLUSION

This study found that a transformational leader affects knowledge sharing by positively affecting motivation and trust in several ways. Taking the relationship between the concepts of trust and motivation to knowledge sharing as an assumed positive relationship derived from previous studies (Lee, et al. 2010; Usoro et al., 2007; Osterloh et al., 2000). This study found an indirect connection between transformational leadership on knowledge sharing, leading to competitive advantage.

The conclusion drawn in the first step of the analysis is that all three respondents are transformational leaders according to both studied perspectives (leader and employee), however, the leaders have different connections to the four components of the transformational leadership style.

A transformational leader should focus on intrinsic rewards in order to positively affect motivation and to generate increased knowledge sharing. All respondent correspond strongly to this argument, highlighting suitable challenges, compliments, feedback and appreciation to be effective tools for motivation in the long-run. Further, excluding bonuses as an effective motivational tool. A strong connection between intrinsic motivation and competitive advantage, derived from knowledge sharing, is found in this case study.

It has further been made clear that all three characteristics of trust exist between the leaders and their employees in EMEA. However, all three respondents do not correspond to all three aspects. Nevertheless, all three trust aspects are represented and therefore the conclusion is that transformational leadership facilitates the creation and/or increase in trust between the leader and the team. This by using empowerment, challenges, consistency, communication and support through situational leadership. Resulting in knowledge sharing, however, not proven to be efficient. A strong connection between trust and competitive advantage derived from knowledge sharing in this case study are, therefore, not found.

These findings can help to understand how divisions in Volvo should develop their future leaders in order to affect their knowledge sharing continuously. It is possible this can be applicable for other and/or similar organizations although, further research is needed to draw this conclusion.
FUTURE RESEARCH

This study suggests possibilities for future research. One idea would be to investigate how the four components individually connect to increased motivation and trust. Another angle would be to compare transformational leadership with a different style of leadership to compare and understand which style is more prominent and effective. Other factors, rather than motivation and trust, might affect knowledge sharing more significantly and can, therefore, be studied to understand its indirect effect on competitive advantage. Additionally, one could investigate the relationship between leaders and the number of components they fulfil and compare this with their team's perspective to see if a leader with all four components fulfilled will increase trust and motivation than a leader who fulfils only one component. Since this thesis has made a case study, additionally future research ideas is to look at the phenomenon in a broader picture, such as comparing different subsidiaries inside Volvo or even between companies and industries.
REFERENCES


APPENDIX 1 - Personal Interview questions

Following shows the personal interview questions translated into Swedish.

- Please introduce your role at EMEA.
  - Vänligen presentera din roll på EMEA.

- How do you think that you as a leader can affect your followers when they face a challenge?
  - Hur tror du att du som ledare kan påverka dina anställda när de möter en utmaning?

- How do you create and increase trust in your team (between members and between members and leader)?
  - Hur ökar du och skapar tillit i ditt team (mellan anställda och mellan anställda och ledare)

- How do you think that you as a leader can affect your co-workers vision of the future within the company?
  - Hur tror du att du som ledare kan påverka dina medarbetare syn på framtiden i företaget?

- How do you motivate and increase motivation among your employees? For example to perform tasks, share knowledge etc.

- Does EMEA work more with bonuses as a motivational tool or with recognition and feedback?
  - Jobbar EMEA mer med bonussystem för att motivera medarbetare eller använder ni er mer av uppskattning och feedback?

- How do you think you as a leader can inspire your coworkers to think outside the box when facing problems?
  - Hur tror du att du som ledare kan inspirera dina medarbetare att tänka “utanför ramen” när de möter en utmaning?

- Do you see yourself as a coach to your co-workers? How important is it to teach and coach?
  - Ser du dig själv som en coach till dina medarbetare? Hur viktigt är det att man lär ut och coacher?

- Do you think trust and motivation can enable your employees attitudes towards knowledge sharing within EMEA?
  - Tror du att tillit och motivation kan göra det möjligt för anställdas attityd till att dela kunskap i EMEA?
APPENDIX 2 - Questionnaire

Bachelor thesis survey

We are three students from the International Business Management & International Marketing program at Mälardalen University. Thank you for taking the time to help us by answering our survey about trust and motivation in leadership.

This survey is completely anonymous, your answers will NOT be analysed individually or be reported back to Volvo.

Please answer the statements on the scale by choosing one of the alternatives explained below:

1) I strongly disagree
2) I disagree
3) I have no opinion
4) I agree
5) I strongly agree

*Obligatory

Leaders in my organization support me when I face a challenge

*  

1 2 3 4 5

I strongly disagree  O O O O O I strongly agree

Leaders in my organization inspire my vision of the future *

1 2 3 4 5

I strongly disagree  O O O O O I strongly agree

Leaders in my organization motivate me to think outside the box when I face a problem *

1 2 3 4 5

I strongly disagree  O O O O O I strongly agree

Leaders in my organization coach me in my work *

1 2 3 4 5

I strongly disagree  O O O O O I strongly agree

Leaders in my organization increase my motivation in my work environment *

1 2 3 4 5

I strongly disagree  O O O O O I strongly agree

Leaders in my organization gives me recognition when I have done a good job *

1 2 3 4 5

I strongly disagree  O O O O O I strongly agree
If I require help, leaders in my organization would do their best to help me *

I strongly disagree

I strongly agree

I believe leaders in my organization are competent and an effective source of expertise *

I strongly disagree

I strongly agree

I believe leaders in my organization would keep his/her commitments *

I strongly disagree

I strongly agree

SKICKA

100 %: Du är klar.
APPENDIX 3 - English summary with respondent 1

To start with, the authors ask the respondent about the role in EMEA. Respondent 1 explains to be quite new at EMEA but started in Volvo in 1986. Additionally, respondent 1 lived and worked in France for 3 years, which makes respondent 1 a manager with multicultural experience. Respondent 1’s current role is strategy and business developer at the Sales region EMEA. The main responsibility is not to come up with new ideas but work as an umbrella support to make sure things get done. Respondent 1 explains that if you set a goal in three years then it is all about concrete activities to make sure everything is done. That is what respondent 1 facilitates.

The authors move on to confirm that the respondent is a manager for a team. Respondent 1 replies by saying they do work in teams, however, how they put together a team depends on what kind of assignment they have. Respondent 1 explains that in a team there is a need to have people who are competent in specific work areas, and this is how EMEA put together teams. Further, currently respondent 1 has a team of four, however, ten years ago respondent 1 was a manager for a team of two hundred employees. So it is quite different how you as a leader act and behave and it is also a difference in dignity.

The authors ask how respondent 1 can influence their team-members when they face a challenge. Respondent 1 states how it is very important to support the members in a positive way. Further, respondent 1 explains there are leaders who have a tougher approach and those who have a softer approach. Respondent 1 self-identifies as having a softer approach. To have a “positive” challenge and to have a tougher goal will give the employees a feeling of challenge and make them feel they are doing something extra [beyond expected]. Stating it is good to give the members a challenge since it stretches the them.

The authors ask how respondent 1 is able to create and gain trust within a team and why this might be important. Respondent 1 says that firstly trust has to be given time. Mentioning that individuals do not feel trust the first time they meet, it takes time for trust to be built up. Respondent 1 says that when one as a leader build a team, one need to act in one way and when the team is more mature the leader can act in another way. Meaning that the leader need to vary [the leadership] over time. Respondent 1 explains that if one has a team of ten individuals and two additional members join the team, the team will have to start the process of building trust over again. Respondent 1 furthermore brings up a book written by Susan Wheelan where she describes a very good way to build up an effective team, respondent 1 is recommending the book if the authors are interested since Susan is a guru in the area.

Respondent 1 continues to answer why it is important to have trust in a team, by saying that trust is the base to create good results. Respondent 1 explains that one can see in the beginning when having a team how the team is unsure and emphasizes how it is important that the leader leads. Over time, respondent 1 believes the leader can take a step back and let the team lead themselves. Respondent 1 continues by stating that in the beginning of a team setup, a team needs to feel safe so the team does not need to question why they are there, what they are supposed to do, or etc. However, the highest ranking [in trust] is that it gives
very good results if you build [the team] from the foundation. Furthermore, respondent 1 explains how conflicts can arise between levels. It is therefore important to handle the conflicts in a good way, otherwise one can be stuck and unable to move forward, which means the team will never create trust. If one gets stuck in a conflict and do not move on to the “trust-zone”, they are in disagreement and might not even talk to each other.

The authors move on and ask how the leader is seeing the importance of solving a conflict and create trust, instead of letting the team create trust themselves. Respondent 1 explains how sometimes the leader, unfortunately, is the one who creates the conflicts by not handling them in the right way. Furthermore, explaining that it can be two individuals not agreeing, which create conflicts, but respondent 1 says that leaders themselves can create conflicts by acting in the wrong way. Respondent 1 explains how this [type of conflict] can arise by the leader being insecure when giving assignments to the team-members. Meaning that it makes team-members disagreeing with each other, which creates a gap in the job-assignments since the members do not know who have done what. Respondent 1 continues by saying that as a manager unfortunately often is the one who creates the conflicts.

When asking how the leader can affect the team-members view of the future, respondent 1 explains it is important to communicate a vision that attracts challenges and possibilities. Continues and states how it is important to not only do something that is fun, but also something that gives the individual something, so that they can learn something along the journey. Respondent 1 continues stating that the leader can ask questions [to the members] “in what situation do you feel that you have fun when working”. Respondent 1 also states that the leader can look at projects and into factors of why they had fun. Explaining the answer R1 often receives are that they enjoy [tasks] when it is a bit tough and challenging, and when working in teams as well as the team working towards common goals.

The authors ask if respondent 1 believes that this is why the members chose to stay at the workplace [not leave the company]. Respondent 1 replies how, an individual member, in the start of an employment have a steep learning curve and learn a lot. However, after a time the member have reached a plateau. Then it is time for the member to take on a new challenge, either in a new position or in the current role. This by taking on tougher projects or other challenges, however it is up to oneself. It is dependent on how the person feel when asking themselves “do I enjoy it or not?”.

The authors further want to know if the leader can do something to make the member stay and not take a position at a competing company. Respondent 1 says “of course the leader can” [laughing] again, it could depend on the manager whether they leave or not”. Respondent 1 states how it is often the manager who is the person that will make the employee comfortable or not in the workplace. Continues by explaining that if the employee has a manager they do not like, they will have a hard time. Respondent 1 laughs and explain how a manager can have a double role, both can make team-members quit or stay.

Continuing the authors ask how respondent 1 can motivate and increase motivation among the employees, for example to solve tasks or share knowledge. Respondent 1 tells the authors
about a person how is a professor at MDH [Mälardalen University] that was a member of his team a few years ago, who described something respondent though was very good, called “flow”. Respondent 1 explains “if you have flow you feel good”. Respondent 1 explained the model to the authors by drawing a graph on a whiteboard, explaining how the vertical axis represents an individual's skills and the horizontal axis represents the challenges. Explaining that an individual feel best when finding an equilibrium between the two axis and a good relationship between the two variables. Respondent 1 explains if an employee receives a challenge that is too large and does not have the ability to manage the task, it will result in concern. However, stating “if your challenge doesn’t reflect what you actually can do you need to lead yourself which is boring”. Respondent 1 explains that one should strive to move upwards between the lines in the graph.

Respondent 1 explains that in the bottom of the graph [low skill, low challenge], the member will feel apathy, meaning you do not have any challenges in life and you have low skills. The respondent brings up an example, explaining if respondent 1 is going to learn skateboarding against his will, Respondent 1 will start in the apathy zone. Further respondent 1 explains how this graph is not something that lies in mind when leading the team. However, highlighting the interesting aspects in the graph.

The authors ask how a manager can motivate them and push employees who are in the apathy zone [low skill, low challenge] in the right direction. Respondent 1 explains how a manager needs to make a judgement whether the member fits the challenge, which can be hard since one do not know until after if the challenge was too tough or too easy. Respondent 1 explains the importance of motivation, since in the end, it creates results. Motivation decides if the result will be good or bad, without motivation the result will not be good.

The authors move on, asking respondent 1 if they work with a bonus system or feedback to motivate the employees. Respondent 1 proclaims little faith in bonus systems by stating an example. If an employee is given 100 [SEK] as a salary increase, the employee might be satisfied until finding out the neighbouring employee received 150 [SEK], then suddenly the member might no longer be satisfied with 100. Additionally, after two weeks the salary increase will be taken for granted by the employee and no longer be seen as a bonus. Respondent 1 states this is of course a part of the motivation, however, the content of the work is 80-90 per cent of the motivation. Explaining an important motivator is to give appreciation to the employees in different way. The motivator number one is to feel “I succeeded with my job”. Another aspect, which is on the second place stated by respondent 1, is that one communicates recognition from the top. To get a money or a T-shirt is probably on the fourth or fifth place. Respondent 1 explains how money will create a feeling of gratitude.

This answer leads the interview in the direct where the authors asks about long-term motivation among the employees to stay and develop in their role. Respondent 1 stresses that it is important to find a challenging work where the employees can develop within the organization. Respondent 1 states that the goal is not to keep the employees in his team, it is instead to develop the company. This mean that sometimes it is good to promote a member to
another role or team, unfortunately employees sometimes leave the company, which respondent 1 states as sad. However, stresses that they might come back and be even better.

When asking how respondent 1 can inspire the team members to think outside the box when they face a challenge, the answer is that it is possible by challenging and giving employees another perspective. Respondent 1 continues by saying “to be honest, in most of these questions, I want to act like this, but how do I do that in reality?”. “Meaning that in reality, something has to be done, falling back on results, making these answers an idealized picture (laugh), knowing the softer parts leads to good results.”

The authors ask whether or not it is important to have a shared vision and transparency. The answer is that it is important, but it is also important to formulate the goal so everyone understands it. Respondent 1 says that sometimes there are employees that work in some functions that might have to be held back in their ambition because they do not work towards the common goals.

The authors ask if respondent 1 feels like a coach to the employees and how respondent 1 coach them. The reply is that sometimes the respondent coaches the members, but is unsure. With communication one can coach, however, commonly a leader does not have training to coach. Respondent 1 sees a leader and a coach differently and that coaching is more to give advices and to think in other perspectives.

When asking if trust and motivation can change the employee's attitude towards sharing knowledge in EMEA. The answer is that respondent 1 do not believe sharing knowledge is a question of attitude. Respondent 1 does not believe that employees want to retain the knowledge within themselves, it is more a question of how the employee does not focus on knowledge sharing. Continuing, respondent 1 proclaims how it is up to the leader in the organization to facilitate [sharing] by having information meetings where someone present their work or having a separate session where the employees can learn. Respondent 1 gave an example where the team had a session where they could go and listen to a person working in the mining business and learn the way they work. However, respondent 1 believe knowledge sharing needs to be facilitated, it is not something that one share without meaning. Respondent 1 mentions that some individuals might not want to share their uniqueness, however, respondent 1 have not experienced it in EMEA.

The authors turn the question around and ask respondent 1 how a team would function without trust and motivation. The instant reaction of respondent 1 was “No, that is not possible, it will not work”. Respondent 1 continues stating that the team would go back to page one, explaining that without trust and motivation the leader would need to tell the team members what to do. It becomes an order and the leader would need to control the team and what they do at all times. When asking if this would be avoided by having trust and motivation, respondent 1 answers that the leader would only need to monitor the team and not control them.
The authors ask if it is important to give the team members empowerment and not control them. Respondent 1 explains that it depends on where the employee is in the graph [earlier explained]. If the employee is at the bottom, the leader needs to tell the employee exactly what to do. However, when an employee is higher up on the graph, they are more independent and there is less need for the leader to intervene. Respondent 1 gives an example on how some employees might have a hard time to keep track of time and the leader might need to tell them when they need to be done. If the employees then can’t make it, they need a reminder and even with the reminder they might not make the deadline.

The authors ask if respondent 1’s team have team-building days to get to know each other and to build trust. Respondent 1 says that they do have it sometimes, however, respondent 1 once again referred to the book written by Wheelan who states that these team-days when the members go out and pick mushrooms are not giving anything for the members. Respondent 1 said there is good ways in building the teams. Respondent 1 said that what they do in EMEA is that they have a half day or full day where the team does something together and then have a meal together. Saying that a good way to get a team to move faster on the graph and work together is to get them to get to know each other as quickly as possible. The deeper individuals know each other the deeper the trust will be. Respondent 1 gives an example of the common activity to get to know someone where all members present themselves and tell something about themselves. Respondent 1 proclaims that the trust will be larger to the individual who shares more personal things of themselves.

Continuing the questioning, the authors ask how respondent 1 would do when an employee is facing hard challenges. Respondent 1 answers how the leader would go in and coach, or sometimes, even give a solution to the team. Respondent 1 explains, often the employee and leader can have a discussion where both sides benefit and can give perspective on the issue at hand. Respondent 1 emphasizes that sometimes the members do not know where they are heading, then respondent 1 is there to help and help solve the issue.

Following, the authors ask how respondent 1 believes a team will look like without a leader. Respondent 1 spontaneous reaction was “No, I do not believe it would work”. Explaining how the leader has an important role in different ways, sometimes the leader needs to lean towards a more steering leadership. Respondent 1 states that one cannot send a football player on a field without rules, without lines, without a judge and without a team leader. Additionally, in the example no one has ever played football before and do not know the game. Thus, highlighting the importance of a guideline and framework.

The authors additionally ask if respondent 1 has a guideline on ethics and morale. Respondent 1 answers that if an employee do not have clear guidelines and a direction on what to do they will feel insecure and that will be a waste of time. Respondent 1 also points out that it is important to vary the leadership, which is something respondent 1 have learned through experience. One cannot do the same thing in all situations, instead respondent 1 says that one has to feel when to act and when to take a back-seat ride. Respondent 1 continues saying that a leader needs to adapt to the individual, some of the employees are very open and susceptible to receive criticism. In a situation like that respondent 1 says that the leader
can push a little harder to challenge the employee. Other employees might not be as open and the leader cannot push the critic as far and as blunt. Respondent 1 says that in this situation the leader need to give feedback in a more positive way and the employee can learn from that. Respondent 1 states that one cannot treat everyone the same however, in a meeting this is not the case. Respondent 1 proclaims that one cannot treat employees individual in front of each other.
APPENDIX 4 - English summary with respondent 2

The authors start the interview by asking respondent 2 to present the role in EMEA. Respondent 2 works as a manager for ‘commercial analysis business intelligence of volume planning’. Further, explaining shortly that the role includes price setting of products, analysis of prices, marginal and costs. Additionally, keeping track of oil prices, political instability, world's conflicts, GDP [Gross domestic product] and everything else that might affect sales. Respondent 2 explains that there are 7 employees who are directly reporting to respondent 2, all working in Eskilstuna.

The authors ask if respondent 2 believes the leader have the ability to influence the employees when they face a challenge. Respondent 2 answers how there are two important factors, first and foremost it is communication. To be clear to the employees what are expected from them. If there is a task they should know what to do and why, however, they should be able to use some creativity within a given framework. The second factor stated by respondent 2 is confidence, that they have the courage to take on an assignment. Respondent 2 states that they should be able to take own initiatives and not continuously asking questions. Therefore, highlighting communication and confidence as the two most important factors. Explaining how Volvo is a global company and having employees from different cultures becomes a challenge when trying to steer everyone in the same way, which requires a situational based leadership. Respondent 2 thus states that if one has the two first factors the other will arise more naturally.

The authors continue on the subject and ask how respondent 2 creates and gains trust in the team. The answer is to be clear and consistent in how one acts and communicates, meaning one cannot give feedback on one thing once and the next time not say anything. Otherwise, respondent 2 highlights the possible creation of insecurity and lack of trust among employees, because the team will focus on how the manager will react and not focusing on how they should act. Respondent 2 mentions that it is important to teach the team how their leader will react, which will increase trust. Further, respondent 2 highlights the importance of being clear and giving feedback directly, meaning one cannot let a behavior pass 10 times and let it pass the eleventh, then you would lose trust.

When respondent 2 answer the question on what happen in a team without trust, it is clear that the respondent believe it will create insecurity. Respondent 2 proclaims to be convinced that if one does not have trust to one's colleagues or leader, one will feel nervousness and one will not know what is expected from the employee, which will affect the work in a negative way. Further, if one feels they do a poor job, one will receive more negative feedback which creates a negative circle. Due to lack of trust and insecurity the employee might think too much on how they should exercise their work and focus on the wrong things [not getting anything done]. Respondent 2 believes that the quality of the work will suffer and how the employee probably does not feel good. It is a negative circle where everything suffers in the end. Respondent 2 believes that without a relationship to one’s colleagues, self-confidence, mental stability and a relationship to one’s manager, then everything over all will lack positive outcomes.
The authors state that the leader then has an important role in a team and ask the respondent if there is a difference in creating trust in a new team or in an established team. Respondent 2 explains that the basis is fundamentally about clarity and communication. Continuing, one might have trust from the start, however things might occur along the way, therefore there is a need for situational leadership. Respondent 2 explains that if there is a conflict in a team one has to act differently, however it is hard to say how, it is important with a dialogue.

The authors ask how respondent 2 can affect the employee's vision of the future within the company. Respondent 2, explains a tool they have in Volvo called PBP [Personal Business Plan], which are yearly meetings between the leader and individual employees. During the PBP, the leader and the employee set up goals for the next meeting and then go through the ones set last time to check whether the goals were reached. Further, respondent 2 additionally explains the PBP involve personal development, which the respondent previously has worked a lot with together with the respondent's manager (before respondent 2 became a manager). The respondent explains how they had a personal dialogue where they were discussing the respondent's future in Volvo. Respondent 2, emphasizes how this is the way the respondent does it today to get to know if the employees are satisfied with their position and to see if there is any education possibilities or if they might want to work in another department. Lifting the importance of having a dialogue with the employee on the what they consider interesting. Respondent 2 argues that many managers want to keep their teams for a certain period of time, however, employees eventually need to change, but not too often, there has to be a balance.

The authors ask if the respondent believes it is important to retain employees within Volvo. Respondent 2 explains since it exists many work areas within VCE, respondent 2 can see a benefit of exchanging knowledge with the other functions through meetings as well as by exchanging team members. This will create different perspective since employees might be locked in their way of thinking. The respondent states that different departments have different way of thinking and ways to look on issues. Therefore, highlighting to move the knowledge closer to the market or headquarter by shifting employees between departments is beneficial for the company. Respondent 2 mentions that almost every week or month [Volvo] move employees between divisions.

The authors continue to ask how the respondent motivates and creates motivation in order for the employees to example solve tasks and share knowledge. Respondent 2 answers by stating direct and clearly delivered feedback as a factor for motivation. Respondent 2 explains that before starting the work as a manager, the respondent attended an education on how to give clear and direct feedback. Direct feedback is something that should be given both when the employee has done something good and bad. Respondent 2 says “I know that from experience, if the feedback comes two months later one has put that behind and instead one can be perplexed as to why the feedback comes now.” “It makes you wonder if there is an ulterior motive”. Respondent 2 clearly stresses that the faster the feedback is given the better and additionally the clearer and concrete it is, the easier it will to absorb. Respondent 2 continued saying that leaders overall are bad at saying “good job”. Sometimes that could be
enough as feedback. Sometimes respondent 2 takes for granted that everyone knows they have done a good job. To sum up, respondent 2 explains a broad concrete feedback together with small compliments as “good job” is the best combination.

The authors follow up by asking how the respondent think about bonus systems or similar to motivate employees. Respondent 2 gives a quite diffuse answer, mentioning a bonus system as a complement. Explaining today’s bonus systems in Volvo are yearly based and very big, stating that if Volvo have performed good they [managers] get a bonus. Off course everyone enjoys to receive money and of course it’s a positive thing, however it is on such a high level that one does not feel a concrete participation in the bonus salary. Respondent 2 however, states it is always a good thing when the company one works for is doing well. Respondent 2 continues, if having a bonus system that directly influences, it has to be concrete and connected to what the employee do and in a company with a high number of employees this can be tricky. Additionally, respondent 2 states that no one will reject an increase in salary, however, respondent 2 do not believe one would work harder because of it. Respondent 2 believe that a bonus is a reward to some extent, but it is very hard to bring forward the employee’s positive behaviour through bonuses.

Respondent 2 is asked whether it is easier to affect motivation on a long-term basis with the help of feedback. The answer is “absolutely”, and continuing to state when respondent 2 was in education, the learning was directed to that bonus was much more important, however that is not the case after gaining experience. Respondent 2 states that feedback is more important, although it does not hurt to have a bonus, but it is important to keep them apart. Continuing respondent 2 explains that an employee will not feel that one is personally responsible for the company success even though the individuals in a way is the reason for the success. From experience as a leader respondent 2 now know that feedback is more important than bonus.

The authors continue to ask if respondent 2 work with inspiring team members to think outside the box when they are facing a challenge. Respondent 2 explains an important factor is to bring up examples from earlier experiences to illustrate another way of working that is not the usual way but created good results. Respondent 2 says “it is hard to say how to think outside the box since you always think inside the box”. Continuing, the respondent explains Volvo to be driven by processes and highlight that when employees have done something outside the process one has to look to the result. Another factor is to visualize activities from reality where one have tried to think outside the box. Additionally, not to be directly controlling and to try to let the employees be creative themselves. If a leader tells them how one want something done, that is how it will be done. However, if one let the employee know what is requested they can find their own way to get there. This way, the leader opens up for the employees to think outside the box. Overall, it is a question of how the leader is reacting, to ask more open questions so they get a chance to think and reflect.

The authors ask respondent 2 if factors like not being too controlled by their manager will be motivating for the employees, if employees will have a feeling that they have more motivation to go to work in the morning. Respondent 2 gives an example of when working at Skogaholm (now Fazer) where the respondent worked with packing bread all day long. The
work was clear and respondent 2 felt that one was locked in a position, being convinced that employees will not be happy after 10 years in the position. Respondent 2 says “But, if you go to work every day and feel that you can tackle new challenges and that you are going to get new challenges, I am convinced that you have happiness when you go to work each morning”. Respondent 2 continuous to mention that instead of knowing one will count 1000 lines in excel with a goal to get a sum to present and then to do the same thing every day it will be monotonous and the employee will lose their happiness because it does not give a motivation to go to work.

The authors ask if respondent 2 feels like a coach to the team and whether it is important to coach as a manager. The reply is an explanation of respondent 2’s leadership style where mentioning that this part is the part respondent 2 needs to work on. Respondent 2 says that it is very hard to coach and it is easy to just give an answer when someone ask for it rather than leading the employee to find the answer themselves. In this area respondent 2 claims to have a bit of work left, a developing area so to say as it is very easy to answer questions instead of coaching the team. Respondent 2 states this is something on the agenda to work with.

Continuing the authors ask if respondent 2 considers that coaching will give the employee something “more”. Respondent 2 answers “Yes, I am convinced that this [coaching] will give something to the employee and therefore this is something I work on”. Again, respondent 2 explains that a leader will hinder the creativity if one just gives the answer instead of coaching. Of course if someone comes and ask for help, respondent 2 tries to coach them, since this will help the employees to develop and grow.

The authors ask respondent 2 if it is important to have trust to Volvo as a company and not only to your team and your leader. Respondent 2 says that of course it is important, however, the larger the company, the harder it gets. Volvo has yearly meetings where the employees are asked if they have trust for the management group in Volvo. Every year the result is lower than for the big picture, which respondent 2 considers to be natural for a company with so many employees as Volvo. Respondent 2 continues to say the best way to work with this is to communicate and create trust to the management group but think it an impossible challenge to get trust the whole way up, however this is not a major concern. Respondent 2 believes it is much more important to have trust for the function or department firstly. Historically, Volvo used to have low trust to the highest board due to them feeling a long way away from the employee perspective but it is not something that affects the employees. Respondent 2 explains that it off course is different in a smaller company where everyone knows everyone, then of course an answer to this question would be different.

The authors continue to ask the respondent if the team work with any form of team-building to get to know each other so trust can be created. Respondent 2 explains that it is imperative to get to know each other outside the work and the respondent is convinced that employees will work better together if they do not talk about only work all day long. One or two activities, conferences or workshops, and then dinner in the evening (or something like that) is something that they try to have. However, the last couple of years the budget has been low for this type of activities. Respondent 2 explains that a team of course can do things together
that does not cost anything, such as having a coffee break together with cake or breakfast every Friday where the employees have the possibility to talk about other things rather than work. Respondent 2 says that they try to open up for this type of activities under the framework they need to follow. The authors ask what respondent 2 wants to accomplish with the weekly breakfast. Respondent 2 explains it is to get the employees to get to know each other more and that will create a better communication, leading to simply working better together. It is easy to accomplish with small get-togethers.

The authors ask respondent 2 how motivation and trust can affect and enable the employee’s attitude towards sharing knowledge, explaining that some employees might not want to share their uniqueness. Respondent 2 says “yes, I am pretty convinced the challenge here is to get employees that are very good at something to share it with others. So we do not get dependent on them.” Respondent 2 argues that it is important to motivate the employee by showing the importance of having more people that knows the same, and emphasise that these knowledgeable employees are valuable for the company, this is where the trust comes in. Making the employees feel safe to be able to share their specific knowledge, by being open with this the employee will know that they will not lose their job, contrary they will receive more development opportunities to grow since other can support the work they are doing today. Furthermore, disregarding the size of the company it is dangerous to have employees that are holding on to knowledge only they have, that will make the company dependent on that particular employee.

The author asks the last question, “is it important to have a leader in a team, what happens in a team without a leader?” Respondent 2 answer “I think we are moving towards, maybe not Volvo, fewer and fewer formal leaders in a team.” Respondent 2 proclaims that the majority of employees are able to work without a leader, however it requires a clear directive on some issues. But in the end respondent 2 believes there will be less formal leaders in a team and more informal leaders. Although Volvo is probably not in the forefront of this development.
APPENDIX 5 - English summary with respondent 3

Respondent 3 starts the interview by briefly explaining the respondent’s role in EMEA. Respondent 3 states to not have worked in Volvo for such a long time, almost 3 years. Furthermore, explaining this is a relatively short period of time compared to others in Volvo. Respondent 3 further explains to work in the marketing function within the sales region EMEA, in one of the four branches called ‘marketing communication and content’. Basically, working with all promotion and make sure all messages they do reflect the company. Respondent 3 further explains working in several channels for examples towards the dealerships and with larger events. Explaining to find and develop graphics and also make sure they reflect the messages they want to portray e.g. in the customer service centre at EMEA, since the dealers come and visit here. Respondent 3 explains that after the reorganization their team additionally works with digital channels, for example social media and everything on the website. Continuing, respondent 3 explains they are 11 in the team and most of them are placed in Eskilstuna, two persons in England, one in Russia and one in Germany. Stating this can be interesting in a leadership perspective since you have to keep the team together. One tool they use is Skype, additionally quarter yearly meetings are held which everyone attends. Explaining it is a lot of coordination, since the team are connected with [division] global, which makes coordination and knowledge sharing most important to make sure everyone is following the same message. Some markets need to be connected and flexible. Knowledge is imperative and then coordination makes it easier but of course being in the same place also helps. Respondent 3 further explains what everyone works with more specifically.

Respondent 3 continues stating they have a very good team and that they work well together. The team have developed and did not look the same from the beginning, although the same people are still there, additional members have been added and different responsibility areas have been taken over. Respondent 3 further tells the authors the team consists of many young, ambitious, driven women. Respondent 3 also proclaims that the team members overall have a lot of motivation.

Respondent 3 explains before moving on to the interview questions, respondent 3 wants to share some thoughts on the subject being studied. Respondent 3 tells the authors that in order to create a unified team one has to work with motivation and to do that the most important factor for effective leadership is information. Respond 3 explains how they yearly are conducting a questionnaire and they always get the answer that the member would like more information. Respondent 3 believes that people, close to all, always want more information, however, in our team the members feel they get enough information, which respondent 3 feels is nice to hear. Information is something one cannot overwhelm someone with, being generous with information does not particularly mean that one has all information or that one is allowed to share all information. Respondent 3 states that one has to give as much as you can so the members do not feel the leader is hiding something from them. Respondent 3 sees information as the stepping stone to create trust, also that trust is built both ways [between leader and member, and between member and leader] so the team members feel that if the leader is open they can be it to. If trust exist in the relationship the member can feel they can
let their guard down and knowledge can be shared internally. Without trust the members will
build a wall and do not dare to share. Respondent 3 continuous explaining how the
foundation is all about information and to share information. To feel informed and involved
and additionally feel trust is important. Something Respondent 3 learned along the way is the
importance of two-way communication, it is not always the leader that is the one with all
answers, the answer has to be developed together with the team. Sometimes respondent 3 can
feel the leader knows what is best for the team, however, sometimes that is not the case, and
the leader has to be able to say “You know what? I was wrong”. Sometimes the process
leading to the result can be more important than the actual result. It is also important to create
the base and preconditions of what is the ground rules in the team. Respondent 3 brings up an
example of how the structure is similar to that of a family, meaning that families can be
structured differently and all family have different rules, however, it is always important to
be clear of what rules are supposed to be followed. This to make sure the members know
what is expected of them they need to know what is is acceptable. The leader needs to be
consistent and determined regarding the rules, this will create some form of stability in what
roles the members have in the team and what they are supposed to do. Respondent 3
continues by stating that these questions take up a lot of time and effort. Continuing
respondent 3 mentions how the leader needs to show the direction to help the team to know
what direction to follow. It can be everything from strategies and how to share information
to know that everything is in the right place to enable reuse of material if need [in marketing].
Once again the respondent refers to the creation of a coherent team, where the team can make
sure they do not need to start over in the process of learning how to keep each other
informed. Although, keeping each other informed takes a lot of time. Once the task is
finished, the feeling of need to inform the others will decrease. Respondent 3 states there is
never enough time. Continuing, respondent 3 explains how sharing information is seen as
different depending on the individual and the individual's role. However, in the team of
respondent 3 it is always seen as important. Respondent 3 tells the authors about willingness
to change, and respondent 3 believes this comes naturally if the team has a feeling of
cohesion and that the team member feel one can affect the end result. Respondent 3
continuous “For me it is the drive that everybody feels that turns into loyalty towards the
team and the positive feeling is strengthened. However, it takes effort to keep it. But there
lies my biggest duty, to facilitate this process”.

Continuing, respondent 3 explains how the team have matured over time and how is has been
a process of getting to know each other and be able to understand one another. Respondent 3
argues how the team have put effort into getting to know each other, not just as individuals,
but also as team members. If you learn to respect that people are different one will find it
easier to understand them. This due to the existence of trust that it is okay to be difference,
and instead seeing the positivity in diversity. Respondent 3 says “we have a good team, a
very good team”.

The authors ask respondent 3 how the leader can affect a team member when the member
face a challenge. The answer is that respondent 3 believes it is important to have a uniform
vision and trust in the team. Team members feeling of trust depends on the empowerment
given by the leader that the member is not highly controlled in their work. Most employees
want to do the right thing, however sometimes it goes wrong. Nevertheless, respondent 3 proclaims this is editable, and often the members can solve the problem themselves with or without support from the leader. Respondent 3 states that it is important to inform the member of an issue before it is too late so there is still time to fix the problem.

Respondent 3 continues by answering the question on how to increase trust by stating that foremost trust and integrity is that there is a basis of clear regulation to ensure everyone is on the same page and involved in decision-making. Respondent 3 states the importance of how ‘it is not about what you say, it is rather about how you say it’. One has to be able to speak up if there is an issue, however it is not a common thing happening in respondent 3’s team. Moving on, the respondent answer how a leader might affect the team member's vision of the future. Again, respondent 3 states that the key word is “information”, the member need to see their part of the broader picture, so the know where they are going and where they are supposed to go. This will create engagement. To be able to take part of information of a larger context will make the distance shorter [between Volvo and the individual]. Respondent 3 feels that a lot is based on how everyone can feel that they are involved when discussing questions, because if they are, they can get a clearer picture of their role and how they fit into the bigger picture. Respondent 3 believes this is what creates motivation and the member will feel more rooted in their role. Continuing the respondent says “regardless of where I get the information, it is considered trust.” as sharing information is to give someone else a part of something bigger. The challenge is that there is a lot of information and that one has to choose which information needs to be passed on to the members of the team. Respondent 3 explains how there is information one is not allowed to pass even though one would like to pass it on. This means it is always about a balance between when to speak and when to not to. Continuing, respondent 3 wants the information to come from the leader and not from somewhere else but it is difficult in a larger company like Volvo since there is information flows from many directions. The leader needs to determine what is important for the member so they do not get bombarded with emails. It is important for the leader to understand the different type of information flows, so there is no inconsistency. Respondent 3 stresses how it is not only information about strategy that is important for the team but suggestions of books etcetera, which can benefit the individual’s development.

The authors ask if this can be a source of inspiration. Respondent 3 replies that “Yes, but it is also moving on to the part of knowledge sharing.” Respondent 3 explains there is different forums for knowledge sharing, partly within the team. It is important to gain information from other parts of the organization, explaining there is a division called “Global marketing department” and how the team relate to them is dependent on how their processes looks like. Respondent 3 explains how there is seminars explaining what is happening on the market. Sometimes one has to sort out the information and pick the useful pieces. Information is fresh and sometimes one can reuse old campaigns as inspiration when one is doing something new.

Respondent 3 moves on to the question regarding how a leader can create and increase motivation in a team. Respondent 3 explains how motivation is information and all the rest that have been discussed before [in this interview]. “I believe that motivation lies within all people that we have [in the team] or I know that it does”. The foundation is that everyone is
motivated. Respondent 3 believes that motivation can increase when people believe in their leader, like when given information and empowerment.

The authors continue by asking the respondent what the leader can do if a team member is lacking motivation. Respondent 3 explains that everyone can lack motivation now and then, however, if it is a continuous lack of motivation from the beginning, the first step might be to have a conversation with the employee. This to coach them to the right pathway or ask questions to understand where the behavior comes from. Respondent 3 says it might as well be a downturn, or that the employee is feeling done with the existing role they have. Stating that it all depends on why the employee have a lack of motivation, respondent 3 wants to believe that everyone are motivated to always do their best, explaining that the case can be that the employee are having too easy work tasks but as a manager it is possible to adjust that. Stating that the foundation is existing motivation among employees instead of them to hunt it.

Furthermore, respondent 3 explains that bonus systems exist in Volvo, but it is an overall and general system. Saying that it is not the biggest motivational factor, and brings up that motivation is all about appreciation and feedback, not only from respondent 3 as a manager but from other co-workers as well. Highlighting it is important to hear “You did this very good”, then the team are spreading the words so everyone has the opportunity to absorb it. Respondent 3 argues that it is the way they are working, to be generous with appreciation within the team, since it will be more beneficial than the bonus of money.

The authors ask if respondent 3 can inspire the team members to think outside the box. Respondent 3 answers this question by saying it is very interesting, since they are currently working a lot with it. Explaining that every team member should do one or two activities each year apart from the framework they have, with the aim to always challenge themselves and to think outside the box. Respondent 3 says that the activity does not have to be something extraordinarily, it can be a new channel for example. Stating that it is about consciously trying something new and then in the end of the year reflect on the performed activity.

Respondent 3 brings up the question whether the respondent is being seen as a coach to the employees, and how important it is to teach and coach. Respondent 3 answers “Yes, the answer is yes. However, the word coach is seen as a trend word nowadays”. Furthermore, explains that coaching is somewhere in the leadership within a team and that the word is taken from the sports world. However, stating that everyone in the team have their roles and how it is similar to a football game, someone is tweaking and someone is cheering. Respondent 3’s fundament is for everyone to be seen in the workplace, since that is what is needed. Stating the importance to be appreciated and that the employees need to have the tools to be able to do a good job. Respondent 3 explains that if someone have done something wrong, one has to be able to have an open dialogue to be able to talk about it, not to point fingers but to analyse what could have been done differently. Additionally, arguing if that is the denomination of the word coach, respondent 3 can sign it.
Respondent 3 is thinking out loud about whether trust and motivation can enable the employee’s attitude towards knowledge sharing, answering the thoughts with “Absolutely, that is the case”. Stating if not having trust towards each other and if it not exists processes or if employees are not motivated enough, people will not share knowledge. Respondent 3 explains that work is a lifestyle, either one goes to work and then go home, or one goes to work with a higher purpose, stating that the employees consider it is fun to go to work and they want their co-workers to do a good job. Respondent 3 argues that this is an up going spiral, if having the right direction on the spiral it will be beneficial for everyone, both the individual and the company. The authors add on to the conversation saying it sounds fun to work in a team where everyone is happy. Respondent 3 answers by saying that it is, however, it is not always the case and it has not always been the case. Stating that it takes a while before everyone get to know each other, since it arrives new employees in the team due to reorganizations. However, explaining that the team strive towards that direction, since one day it might not be the case, then it is important to realize what direction to look for. Highlighting not to lose the fun aspect, since that is the foundation of everything, and it is my job.