

**A qualitative study into the impact of
leadership competencies on a start-up's successful
progression to scale-up**

Johan Fredrik Reveillard

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Abstract

Leadership competencies in start-ups are frequently discussed in research. There seems to be consensus that entrepreneurial leadership competencies are diverse and critical to start-ups. There is, however, little agreement on what competencies are required, and less so whether these competencies need to change as organisations change. This research seeks to examine the impact of leadership competencies on a firm's transition from start-up to scale-up. It further seeks to examine whether competencies need to change during the transition, and whether the leadership needs to change for the organisation to successfully adapt to growth. To uncover the relationship between leadership competencies, their practitioners, and the growing organisation, qualitative research was conducted. The researcher performed semi-structured interviews with founders of Irish firms, selected through purposive sampling. The selection criteria involved candidates having successfully, or unsuccessfully, gone through a start-up to scale-up journey, and been instrumental in that journey. With a thematic analysis, interviews were coded and clustered, from where themes were developed, described, and ultimately reported. The researcher used the qualitative data analysis tools ATLAS.ti and NVivo to add rigour and reliability to the analysis.

This research uncovers that while leadership competencies are retrospectively considered critical by founders, they are not necessarily reflected on in the start-up phase, particularly not by first time founders. This contributes to misalignment in competencies available in the firm to successfully scale the business. In contrast to available studies, founders who repeated the entrepreneurial effort, capitalised significantly on learnings made in previous ventures. Repeat founders had a better understanding of what leadership competencies would be required during what stage of the new growth journey to scale successfully. The study also shows that founders with prior entrepreneurial experience deploy human capital throughout the leadership team. Unlike what is suggested in the literature, they have neither the ambition nor ability to possess all leadership competencies a firm needs to successfully grow to a scale-up state. The study also shows that early awareness and deployment of specific leadership competencies during the different growth stages, provides a stronger foundation for success.

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Name: Johan Fredrik Reveillard

Student Number: 10208216

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1. Introduction

1.1 Research Problem

Start-ups in Ireland face a failure rate of approximately 75%, as discussed by Van Scheers (2016) and published in Business in Ireland 2020, Enterprise Births, Survivals, and Deaths publication (Central Statistics Office, 2022). This publication states that in the five years between 2015 and 2020, there were a total of 106,904 enterprise births, while 81,900 enterprise deaths took place between 2015 and 2019. It seems evident that many start-ups struggle to make the transition from small, entrepreneurial organisations to larger, more structured enterprises, and yet the success of start-up organisations is critical for Irish economic growth and job creation.

There may be several reasons why a start-up fails to scale. Consideration can be given to issues with financing, market fit, competition, business model, pricing, and regulatory changes, to name some of the more frequently discussed topics concerning start-up deaths. However, one underlying, and possibly more fundamental factor that may influence a firm's successful transition from start-up to scale-up is the leadership competencies of the organisation's leaders. It could be argued that while there is no inherent correlation between inadequately practised leadership competencies and the abovementioned considerations of failure, it is possible that either a lack of, or diminished, leadership competencies may have an impact not only on these issues but a firm's overall potential to successful growth.

1.2 Justification of Research

There seems to be a common understanding that business founders in start-ups will need several and various competencies, as suggested by Radácsi and Csákné Filep (2021), while Kassai (2022) demonstrates there is no consensus on what leadership competencies are needed, or how they may need to change throughout a firm's growth. Where transition is discussed, research tends to consider teams and their individuals throughout transition episodes while not discussing the organisation's transition (Marques-Quinteiro, Van Dijk, Peterson, Adamovic, Buengeler and Santos, 2022). Atmaja, Supriyati and Santoso (2022) discuss leadership impact on business effectiveness, but also leave out considerations for small, agile organisations' successful transition to larger and more robust businesses as scale-ups.

While significant research has been done on leadership skills and behaviours, and their impact on the success of firms of various scales, little is said about their impact on scaling and transitioning from one stage to another in a firm's growth. Kassai (2022) suggests there are entrepreneur-specific competency models, where an entrepreneurial leadership style is critical to a start-up, while a discussion on scaling and significant growth is absent.

There appears to be a gap in the research concerning the study of leadership competencies and their suitability in firms moving from one scale to another.

This research seeks to explore this possible gap and uncover the impact of leadership competencies on firms' transition from start-up to scale-up, what contributes to successful journeys, and how competencies, the application thereof, and their practitioners may need to change and adapt as their organisations grow.

1.3 Dissertation Structure

This research study consists of seven chapters; (i) Introduction, (ii) Literature Review, (iii) Research Question, (iv) Research Methodology, (v) Analysis and Findings, (vi) Discussion, and (vii) Conclusion.

Chapter 1 – Introduction

The first chapter is an introduction to the (i) research problem, (ii) possible gap in existing literature, (iii) justification of why the subject is worthy of study, and (iv) the research aim, e.g., what the researcher is attempting to achieve. The chapter also outlines the overall structure of the study with an overview of all chapters provided.

Chapter 2 – Literature Review

The second chapter is a review of recent material relevant to the study, synthesising research studies conducted in recent times concerning leadership competencies, the application thereof, entrepreneurship, and organisational growth.

Chapter 3 – Research Question

The third chapter presents the research question with its sub questions, and the research objectives and research aim.

Chapter 4 – Research Methodology

This chapter describes in detail the research methodology and the adopted procedures, encompassing the research rationale, philosophy, approach, and design. It also details why the individual methods and procedures were chosen. This fourth chapter subsequently presents the population sampling, piloting, data collection and analysis methods, to conclude with the ethical considerations of the study.

Chapter 5 – Analysis and Findings

The fifth chapter details the analysis of the collected data and the key themes and findings from the analysis. The key findings are related back to prior relevant studies as discussed in the literature review. Lastly, limitations of the study are presented.

Chapter 6 – Discussion

The findings of the study are interpreted and discussed further in this sixth chapter, taking into account the overall consideration of the literature comprising the foundation of this study, to support the reflections.

Chapter 7 – Conclusion

The last chapter of the research concludes the research and its discussion and provides recommendations for future studies.

1.4 Conclusion

This introduction has presented the research problem and the justification of the research, pointing to key literature, and showing the potential gap in current research, and what the researcher intends to explore in this study, along with the overall structure of the study. The next chapter provides the literature review of recent material relevant to the study.

2. Literature Review

2.1 Introduction

This study is concerned with leadership competencies and their role in an organisation's growth and seeks to answer how leadership competencies as utilised by their practitioners impact a firm's prospects of successfully transitioning from start-up to scale-up. This chapter discusses the literature available today that are relevant to the study, progressing from the observation of start-up failures to discussing entrepreneurship and entrepreneurial leadership, to leadership competencies and the growing organisation, towards the possible gap in the literature, bringing the research question to the forefront for exploration in the primary research.

2.2 Start-up Failure

Yusendra, Paramitasari and Rahmawati (2020) point to two distinct factors as to why start-ups fail. They suggest that many start-ups are not as unique and innovative as they might perceive themselves but rather followers of already established leaders in their field and at the same time, as followers, they can't adjust quickly enough to changing market conditions to meet the needs of their market (Yusendra *et al.*, 2020). Grönroos (2006) describes this lack of dynamic attributes as a gap, a disconnect, between what the business can do and offer customers, and what the customer actually wants. This disconnect and unawareness of the firm's market position as follower may lead to start-up failure.

A different set of considerations to start-up failure is taken by Nikolić, Jovanović, Nikolić, Mihajlović and Schulte (2019), whereby they divide the cause of failure into internal and external factors. Internal factors look at why the start-up team is there in the first place, who they are, how they function, what their motivations are, how they interact and collaborate, and how these factors – when not aligned with the vision and purpose of the business – may work against the success of the firm (Nikolić *et al.*, 2019). These internal considerations raise the question of the importance of the founding team, and to what extent founders need to practise caution when assembling their team. On the external side, parallels can be drawn between the findings of Yusendra *et al.* (2020) and the external factors suggested by Nikolić *et al.* (2019), where competition and market conditions are the main obstacles for start-ups to

overcome, or rather learn to quickly adjust to. It could be argued that Nikolić *et al.* (2019) draw their discussions in part from Limsong, Sambath, Seang and Hong (2016), who emphasise the internal and external factors while highlighting the importance of human capital in the organisation to achieve success.

There are other reasons why a start-up fails, including the firm running out of funds and failing to raise new capital, the business developing products and services to which there's no market need, the business is outcompeted before gaining market share, or the firm fails to move at the speed and volatile nature of market conditions and demands. Gupta, Chauhan, Paul and Jaiswal (2020) emphasise learning as a critical factor, if not the most important factor, contributing to success or failure, whereby the entrepreneur needs to possess qualities that lend themselves towards continuous learning, be it organisational, social, market, or experiential learning. The entrepreneur relies on "learning skills, gaining motivation, and gathering the knowledge required" to execute and drive the start-up (Gupta *et al.*, 2020).

2.3 Entrepreneurship

What an entrepreneur is, has remained largely the same over time. Cunningham and Lischeron (2019, p. 45) define it as a "founder of a new business", suggesting they possess "characteristics such as their ability of intuition, need for achievement, ready to handle risk" (Ranjan, 2018, p. 104). Additional qualities such as the ability to plan, capitalise, organise people are attributed to the entrepreneur (Cunningham and Lischeron, 1991). In essence, an entrepreneur can be defined as an individual who recognises business opportunities, takes initiatives in initiating them, and assumes the risks involved with creating, organising, and overseeing new ventures. The entrepreneur often exhibits characteristics associated with innovation such as creativity or disruption that upset existing markets or develop new ones; and are driven by an ambitious vision to bring their ideas to fruition in profitable businesses.

The qualities and attributes that make an individual an entrepreneur, are diverse and all-encompassing. They can be measured in skills and experience, and while it is generally accepted that the deeper and broader the experience, the more likely it is that the entrepreneur will be successful, Spanjer and Van Witteloostuijn (2017) have

discovered that this is not necessarily the case under all circumstances. They have found that there may be a limit to the number of skills an entrepreneur should possess to be effective, and that there equally is a limit to the diversity in experience an entrepreneur needs, particularly where old experience introduces weaknesses as the entrepreneur will have difficulties effectively drawing from older experiences (Spanjer and Van Witteloostuijn, 2017). They also raise the question of the value of learning from past entrepreneurial experiences where the knowledge gained in one venture may not be transferable to the next (Spanjer and Van Witteloostuijn, 2017).

While discussing alternative leadership styles, Kassai (2022) indirectly attributes the entrepreneur new characteristics, while attempting to establish “Lone Wolf, Team Builder, Explorer and Architect” as leadership styles (Kassai, 2022, p. 16). However, in doing so Kassai (2022) redefines the characteristics of the entrepreneur, what they are, rather than establishing a style. Equally, when contrasting Kassai (2022) and Spanjer and Van Witteloostuijn (2017), it can be argued that the qualities captured in the four leadership styles, e.g., the four types of entrepreneurs suggested by Kassai (2022), are all comprised within what Spanjer and Van Witteloostuijn (2017) suggest that any entrepreneur needs.

The common denominator between Cunningham and Lischeron (2019), Spanjer and Van Witteloostuijn (2017) and Kassai (2022) is that the entrepreneur establishes a firm from a notion or a new idea, assumes the risks involved, builds the business, utilising a vast set of skills and experiences.

2.4 Entrepreneurial Leadership

What entrepreneurial leadership consists of is still today not fully developed according to Bagheri and Harrison (2020) and that for several reasons, while fundamentally because there is no consensus of what the definition should be. Leitch and Volery (2017) suggest that entrepreneurial leadership studies have merely just commenced and see room for further research not only into the entrepreneur, their team, and how interaction within that group shape the firm, while also applying additional context as to at what stage and in what field the firm operates, to gain a better understanding of entrepreneurial leadership.

Some research focuses on qualities and attributes of the leader, while others consider leadership behaviour (Cogliser and Brigham, 2004). It could be argued that Ireland, Hitt and Sirmon (2003) try to codify entrepreneurial leadership behaviour as strategic entrepreneurship by joining strategic management with entrepreneurship. While Ireland *et al.* (2003) aim to set out an ambitious strand of future research into the metamorphosis of strategic management and entrepreneurship, parallels can be drawn between the behavioural theories of Cogliser and Brigham (2004) and the entrepreneurial behaviours recognised by Ireland *et al.* (2003). However, neither party clearly defines what entrepreneurial leadership is.

Clark, Harrison and Gibb (2019) have recognised the complexity in defining entrepreneurial leadership and have as such attempted to establish a conceptual framework upon which further studies can be considered, by reviewing existing studies and grouping them into themes, which may be further explored. Clark *et al.* (2019) suggest that the definition of entrepreneurial leadership has by no means been established, and that depending on what thread or field of research one pursues in leadership or entrepreneurship, different answers will surface. This is consistent with Spanjer and Van Witteloostuijn (2017), who describe a vast set of skills and experiences attributed to the entrepreneur.

A common thought is that entrepreneurs lead their team through a sustained volatile environment and motivate them with ownership through commitment (Dabić, Stojčić, Simić, Potocan, Slavković and Nedelko, 2021). Kassai (2022, p. 18) suggests that “future orientation and community building” in uncertain environments is what “distinguish entrepreneurial leadership from other leadership styles”. It could be argued that while there is little scholarly consensus in terms of the definition of entrepreneurial leadership, as discussed by Swiercz and Lydon (2002), common traits can be drawn from the research.

These common traits include that in the process of establishing a firm on a novel business idea, assuming associated risks, while absorbing market volatility and uncertainty, the entrepreneur exploit their social and human capital to manage and

motivate the internal and external domains, through a diverse set of skills and prior experiences (Clark *et al.*, 2019; Ranjan, 2018; Spanjer and Van Witteloostuijn, 2017).

2.5 Leadership Competencies

The leadership toolkit of the entrepreneur can be defined as a set of traits and characteristics more so than competencies. Barrow (1977, p. 232) offers the definition of leadership as “the behavioral process of influencing individuals or groups towards set goals”, which suggests that to execute such leadership the entrepreneur needs the underlying leadership competencies. Forster, Parrer and Wöss (2013) discuss how leadership competencies in start-ups are given little attention and prominence. Yet, research suggests that the likelihood of achieving success in entrepreneurship is linked to competency (Omri, Frikha and Bouraoui, 2015). While there is no consensus on what competencies entrepreneurs need, it is commonly understood that the need is widespread across multiple disciplines. This assumption is supported by Krieger, Block and Stuetzer (2018), who in their study on skill variety, suggest that these vast sets of skills, behaviours and experiences may be gained from prior entrepreneurial and managerial experiences, as well as from practical experiences in smaller firms, and education. It may be noted that these suggestions in part somewhat contradicts Spanjer and Van Witteloostuijn (2017) describing prior entrepreneurial experiences as possibly less transferable.

Bonfanti, A., Castellani, P., Giaretta, E. and Brunetti, F. (2019) offer a novel approach to obtaining leadership competencies through experiential learning within entrepreneurship. They use factory tours as the catalyst to provide ideal means of experiencing manufacturing, business operations and industry dynamics first-hand, which according to Bonfanti *et al.* (2019) may help aspiring entrepreneurs learn about manufacturing processes, manufacturing business dynamics and making decisions with precision and creativity. These tours can also aid participants with motivation and entrepreneurial mindset development, giving participants real life business experience that enhances education of this kind. While somewhat narrow in application and not all-encompassing, Bonfanti *et al.* (2019) complement the procurement of skills as discussed by Krieger *et al.* (2018).

Kassai (2022, pp. 19-21) offers a more systematic approach to leadership competencies, consolidating 120 competencies across 5 dimensions identified in 18 leadership and competency studies.

Social	Imagination	Execution	Personal	Organisational
Partner with others	Discover customer needs	Innovate	Driven	Hire and staff
Network	Set vision	Manage finances	Subject matter expert	Design organisations
Communicate effectively	Know the external environment	Results-oriented	Ambitious	Delegate effectively
Inspire others	Set strategy	Negotiate	Show learning agility	Create a positive work environment
Build teams	Think strategically	Solve problems	Show conviction	Show organisational agility

Figure 1: Key competencies by dimension (Source: Kassai, 2020)

An immediate observation when examining the consolidated data and the underlying studies that Kassai (2022) lean on, is that the 120 competencies as identified across the 18 studies, and the 25 key competencies across the 5 dimensions are of a significant magnitude. The dimensions can be further discussed, for instance how they align with the internal and external environments and their respective influences as discussed by Nikolić *et al.* (2019). The competencies themselves can be examined and scrutinised, not the least set against the suggestion from Spanjer and Van Witteloostuijn (2017) that the ideal number of leadership skills an entrepreneur holds should not exceed 23-24 as the entrepreneurial performance will decrease when exceeding that number. However, if considering that competencies encompass attributes, traits, and behaviour in addition to skills, and not necessarily only one specific skill per competency, it raises the question what kind of entrepreneur is thought to be able possess all these competencies.

Common knowledge suggests the entrepreneur needs to focus on three things when setting up their venture; (i) hire the right people, (ii) raise funds and ensure their venture doesn't run out of money, and (iii) articulate the vision and drive the firm in that singular direction. To be successful in these three focus areas, the entrepreneur needs leadership skills, behaviours, and experiences, synthesised in leadership

competencies that are aligned with the required focus. However, there is more involved than the three initial focus areas and their respective required leadership competencies for the entrepreneur to grow and expand the start-up to eventually reach a scale-up state, which implies that further competencies than those that can be attributed to the initial three focus areas are needed in the entrepreneur's leadership toolkit. This may suggest that while Kassai (2020) presents and discusses a vast set of leadership competencies, it may be what is required of the entrepreneur.

2.6 Gap in the Research

The review of the literature reaffirms that while studies in leadership is vast and far reaching, that entrepreneurship research is growing as is research in entrepreneurial leadership although it being yet in its infancy, little has been researched in leadership competencies and their practitioners contributing to a firm's success as a start-up and whether they are suitable through to a firm's scale-up state. Studies show evolving leadership styles and traits, as well as a comprehensive summary and classification of leadership competencies (Krieger *et al.*, 2018; Coglisier and Brigham, 2004; Kassai, 2020; Spanjer and Van Witteloostuijn, 2017). However, the research does not involve growing and scaling organisations.

While significant research has been made in attempts to demonstrate why start-ups fail, Pauceanu, Rabie, Moustafa and Jiroveanu (2021) in contrast proposes characteristics of the successful entrepreneur in their literature review, while the definition of what constitutes success is absent. This may suggest that Pauceanu *et al.* (2021) have not considered whether success means that the start-up has grown to a scale-up state, or that an exit has been achieved, or if success simply means that the business stays alive.

The review of available literature in entrepreneurial leadership competencies provides ample opportunity for additional research to be performed. The review suggests there is a gap in the research as entrepreneurial leadership competencies are relevant in the growing and scaling organisation. The researcher is particularly interested in whether the entrepreneur, the founder, can hold and practise the leadership competencies required to drive a business to success from start-up through to scale-

up, and how the entrepreneur can equip themselves with the tools necessary to achieve this.

2.7 Conclusion

From the outset, entrepreneurial ventures have a high risk of failure (Spender, Corvello, Grimaldi and Rippa, 2017). Considering that 75% of new businesses in Ireland fail, and that it in part can be attributed to lack of knowledge, experience, education, and social and human capital, the researcher finds this an area worthy of interest. Bearing in mind that only 1,25% of start-ups worldwide have a chance of succeeding and making a profit adds an emphasis to the problem (Yusendra *et al.*, 2020).

There are many reasons why a start-up fails. Reviewed literature shows that two of the main reasons are (i) the firm runs out of funds and fails to raise new capital, and (ii) the firm sells something there is no market need for. Yusendra *et al.* (2020) discuss other external factors, and in particular the follower syndrome, where the start-up is not the birth of a novel idea, but a mirror of an existing market leader. Nikolić *et al.* (2019) adds to this by suggesting that the start-up is not dynamic enough to change with the volatility in the market, as the start-up is not leading the market. This raises the question whether these reasons of failure are external or if there are underlying internal factors and a reflection of missing entrepreneurial leadership competencies, a consideration that is supported by Gupta *et al.* (2020) who suggest the entrepreneur needs continuous learning to succeed.

To achieve success, the literature indicates that founders need to both identify as entrepreneurs and assume the characteristics and behaviours of the entrepreneur (Ranjan, 2018). Spanjer and Van Witteloostuijn (2017) add to Ranjan (2018) and Cunningham and Lischeron (2019) by referring to the skills and experience the entrepreneur needs to assume said characteristics and behaviours, which is further echoed by Omri *et al.* (2015) who links entrepreneurial success to competencies. Kassai (2022) progresses the competencies studies further and suggests new leadership styles based on a classification of leadership competencies, as synthesised from existing leadership competency studies, which may be overlaid on the conceptual

leadership framework developed by Clark *et al.* (2019) to gain a more comprehensive view of entrepreneurial leadership competencies.

There is seemingly consensus in the literature that the entrepreneur needs a vast set of leadership competencies, as suggested by Clark *et al.* (2019), Kassai (2020) and Spanjer and Van Witteloostuijn (2017). However, to the acknowledgment of Forster *et al.* (2013), there is not significant research available on the subject. The literature shows this to be the case still.

3. Research Question

3.1 Background

The role of leadership competencies in an organisation's successful transition from start-up to scale-up, whether these competencies need to change as the organisation changes during this growth, and if the business leaders need to change, or be replaced even, with the changing leadership competencies, is explored in this study. The researcher is open to the possibility that no change is required, and that success factors of a firm's transition to a scale-up state lie elsewhere.

3.2 Research Question

How do leadership competencies impact a firm's prospects of successfully transitioning from start-up to scale-up?

3.3. Research Sub-Questions

The sub-questions derived from the research question and its underlying context are not directly addressed in this study, but they have informed the research objectives and the questions raised with the population sample.

1. Are there specific leadership competencies contributing to a start-up's successful transition to scale-up, and if so, what role do they fulfil?
2. How do the leadership competencies specifically contributing to the success of a start-up, differ from the ones contributing to the success of a scale-up?
3. How do the practitioners of leadership competencies in a start-up differ from practitioners in a scale-up?

4. Can founders in a start-up successfully transition the business to a scale-up state and sustain the business?

3.4 Research Objectives

The research aim is broken down into research objectives, to provide a path for how the research aim is to be achieved.

Objective 1

Explore founders' awareness of leadership competencies needs during the firm's early start-up stage and how they are applied in practice.

Objective 2

Explore how founders reflect on and communicate changing leadership competencies needs as the firm enters a significant growth phase.

Objective 3

Explore if and how founders can equip themselves with the necessary leadership competencies to sustain their roles after major growth events.

3.4 Research Aim

This study attempts to uncover whether leadership competencies and their practitioners contributing to a firm's success as a start-up are suitable through to its scale-up state, or whether change in competencies and leadership is needed for continued success as the firm changes.

3.5 Conclusion

In this chapter the research question, research objectives, and research aim was introduced. The next chapter will describe the research methodology used to address the research objectives and achieve the research aim, and how the researcher arrived at the procedures and methods adopted.

4. Research Methodology

4.1 Introduction

This chapter describes in detail how the researcher developed the research methodology, utilising a model called the "research onion" (Saunders, Lewis, Thornhill, 2016, p, 124). The model helps inform a researcher, starting with the discovery of research philosophy, followed by the approach, the method, strategy, time horizon, through to data collection and analysis. Each outer layer in this model informs the next inner layer, which gives credibility to the choices made.

4.2 Research Rationale

While undertaking literature review on leadership skills, behaviour and competencies, the researcher found that there appears to be a gap in the research on leadership competencies in firms growing from start-up to scale-up. The researcher was particularly keen on understanding the role of leadership competencies, their practitioners, and their impact on successful growth. The consideration that most of all start-ups in Ireland fail, as reported by the Central Statistics Office (2022), and never reach a scale-up state, further fuelled the researcher's interest in discovering what impact leadership competencies have on firms' growth.

This in-depth study of the impact of leadership competencies from the perspective of company founders that have either succeeded or failed in growing their firms from start-up to scale-up, with their utilisation of, or lack of, leadership competencies, may help identify and understand the role of leadership competencies and their impact on successful growth.

4.3. Research Philosophy

4.3.1 Research Paradigm

To determine the appropriate research method, be it a qualitative, quantitative, or mixed method, Guba and Lincoln (1994) suggest one first need to consider the research paradigm, which they define as "the basic belief system or worldview that guides the investigator" (Guba and Lincoln, 1994, p. 105). Guba and Lincoln (1994) discuss the paradigms (i) positivism, (ii) post-positivism, (iii) critical theory and related ideological positions, and (iv) constructivism. Candy (1989) sees three main

paradigms; (i) positivism, (ii) critical theory, and (iii) interpretivism. While it can be argued that constructivism and interpretivism differ from each other, Kivunja and Kuyini (2017) suggest that the core belief in interpretivism is that reality is a social construct, which is why interpretivism sometimes is called constructivism (Bogdan and Biklen, 1998). On the other hand, Van der Walt (2020, p. 59) clarifies that interpretivism and constructivism “form two sides of the same coin”, where interpretivism assumes that reality is subjective based on experiences and interactions where interpretation thereof form knowledge, whereas constructivism suggests that individuals and groups may create their own socially constructed realities (Quinlan, Babin, Carr, Griffin and Zikmund, 2019).

Considering that the critical theory paradigm from the perspective of Kivunja and Kuyini (2017) is politically, socially and economically positioned; that Saunders *et al.*, (2016) suggests that positivism commonly accepts only one true reality with observable and measurable facts; that constructivism according to Quinlan *et al.*, (2019) is interested in how individuals’ and groups’ realities are built; whereas interpretivism is concerned with how they are experienced by individuals – the interpretivism research paradigm, or what Guba and Lincoln (1994) call worldview, which emphasises that humans are different from physical phenomena as they create meaning, per Saunders *et al.* (2016), is adopted by the researcher, as this study needs to interpret personal views of reality to address the research question. Hence, interpretivism is the only research paradigm from the above considered that meets the specific requirements of this study.

4.3.2 Research Assumptions

Guba and Lincoln (1994) discuss three assumptions, or fundamental questions; the (i) ontological question of understanding reality, the (ii) epistemological question of how knowledge is acquired, and the (iii) methodological question of what method is used to acquire knowledge. The answers to these fundamental questions, when taken from a chosen research paradigm perspective, as discussed above, can inform the researcher what is a legitimate line of inquiry (Guba and Lincoln, 1994). Smith and Shaw (2019) call these assumptions theoretical constructs and add a fourth construct to the set; (iv) axiology. Axiology is described by Heron and Reason (1997) as a

fundamental question of value, and the values of being. This question may make more sense if also considering a research paradigm suggested by Heron and Reason (1997), the participatory paradigm.

This study explores leadership competencies and their application in growing organisations. The research attempts to uncover the possible need for adjustment of the application of competencies and their practitioners, as the organisations grow. The researcher believes that leadership in such organisations experience the need for leadership competencies and their possible change throughout their organisations' growth journeys differently, while there is no predetermined knowledge that suggests the belief to be true. In essence, to gain the insights and knowledge, the researcher adopts an epistemological assumption, or construct, with the interpretivism research paradigm.

4.4 Research Approach

There are several approaches to research. Creswell (2007) for instance, suggests five approaches to qualitative research alone. However, while there may be many, Saunders *et al.* (2016) argue that there are three main approaches to research; (i) deduction, (ii) induction, and (iii) abduction (Saunders *et al.*, 2016).

Abduction involves observing certain phenomena or sets of facts, and then proposing the best explanation that matches those observations (Saunders *et al.*, 2016). It lends itself well to qualitative research, and in particular the grounded theory research design where Charmaz (2017) would agree with Timmermans and Tavory (2012) that from a grounded theory perspective, abduction follows induction, while it can also be observed crossing lines between induction and deduction (Charmaz, 2018). Deduction involves creating a hypothesis or theory from prior theories and research, then testing the theory through observational data or empirical research. Deductive approaches tend to be associated with quantitative research methods and typically follow a structured process (Bryman and Bell, 2011). Induction is one of five major qualitative research approaches according to Creswell (2007) and allows researchers to move from specific observations or data points towards generalisations and theories through inductive reasoning. It's a bottom-up approach that allows researchers to derive

theories directly from collected data sources (Creswell, 2007). Inductive research methods such as ethnography, grounded theory and phenomenology make good use of inductive approaches as they focus on understanding lived experience of individuals while providing deeper insights into complex social phenomena (Creswell, 2007).

Considering that numerous studies have explored leadership skills and behaviours in organisations, while seemingly not their application and possible need for change as an organisation scale, the researcher adopts an inductive approach with the objective to explore and gain knowledge about this potential gap in the research. Exploring the impact of leadership competencies on firms' transition from start-up to scale-up, is as such not directly related to existing knowledge but attempts to understand founders and their experiences throughout their growth processes, and the impact of leadership competencies. This is by virtue of procedure and knowledge acquisition a bottom-up exercise and an inductive approach.

4.5 Research Design

4.5.1 Research Method

Saunders *et al.* (2019) present a simplified explanation as to the differences between the three main methodological choices in research; (i) quantitative, (ii) qualitative, and (iii) mixed methods research design, in suggesting that quantitative research involves methods that make use of or render numerical data, whereas qualitative research is synonymous to methods concerned with non-numerical data, and mixed methods is a combination of both (Saunders *et al.*, 2019). They further describe four possible purposes to be fulfilled by the research; (i) exploratory, (ii) descriptive, (iii) explanatory, and (iv) evaluative or a combination of either, depending on how the research question is asked (Saunders *et al.*, 2019).

The methods chosen and the type of study, the purpose, conducted by the researcher is determined by the type of data needed to be collected and processed to satisfy the aim of the research (Quinlan *et al.*, 2019). The researcher has considered both qualitative and quantitative methods in the design. To unearth and satisfactorily explore and understand leadership competencies and their application by founders throughout their organisations' growth, non-numerical data centred around their

experiences, awareness, application of leadership competencies, and subjective views of their position within the growth process, is material. Hence, the researcher adopts a qualitative research design in an exploratory study.

Mixed methods research design has also been considered, whereby the researcher determined that performing quantitative analysis on either secondary data or a survey executed in parallel with the qualitative analysis, will both expand the scope of the research and create potentially disconnected outcomes between the two analyses. Rather, the researcher would suggest that quantitative research on potential clusters and themes discovered during the qualitative research may be interesting as a separate exercise in future research.

4.5.2 Research Strategy

Saunders *et al.* (2019) discuss eight research strategies; (i) experiment, (ii) survey, (iii) archival and documentary research, (iv) case study, (v) ethnography, (vi) action research, (vii) grounded theory, and (viii) narrative enquiry. The experiment and survey strategies lend themselves to quantitative research (Neuman, 2014). As the researcher has adopted a qualitative research design, these two strategies may be better suitable in other research undertakings. Considering the research aim, an archival and documentary research strategy would in this case not achieve that aim or answer the research question. An ethnographic strategy that is concerned with culture and social aspects of group functions per Saunders *et al.* (2019), would also not meet the needs of the research aim. Further, the action research strategy concerned with practical and iterative “research in action” as discussed by Coghlan and Brannick (2014, p. 6), the grounded theory strategy sometimes positioned as an abductive approach according to Charmaz (2018), and the narrative inquiry strategy with focus on interpretation of events in whole as per Chase (2012), are all misaligned with the research aim. The researcher adopts the case study strategy, having found the strategy best aligned with the research aim. While there are common themes, or traits, in the various definitions of what a case study is, as discussed by Schwandt and Gates (2011), the researcher homes in on their key questions “What do we make of this?” and “What is this a case of?” as the foundation to gain the knowledge sought through the research question (Schwandt and Gates, 2011, p. 601).

4.5.3 Research Instrument

The research instrument is the device, or tool, used to collect, measure, and analyse data relevant to the research subject (Wilkinson and Birmingham, 2003). While there are several tools to consider, Wilkinson and Birmingham (2003) discuss in-depth (i) questionnaires, (ii) interviews, (iii) content analysis, (iv) focus groups, and (v) observation, and an alternative video-based approach. As an exploratory case study where the researcher seeks to gain knowledge and understand the impact of leadership competencies on growth through the lens of their practitioners, interviewing is adopted as the research instrument. Wilkinson and Birmingham (2003) further discuss the various approaches to interviews, and the level of flexibility they offer in conjunction with their possible caveats and challenges. The adopted approach will be semi-structured interviews, in contrast to unstructured interviews that may stray from the core subjects and structured interviews that may inhibit the interviewees to adequately reflect on the core subjects due to more rigour and control applied by the interviewer (Saunders *et al.*, 2019). The researcher determined that the semi-structured interview approach is the most suitable instrument, as it allows the interviewer a level of control while at the same time gives the interviewee the ability to “shape the flow of information” (Wilkinson and Birmingham, 2003, p. 45). A set of ten open-ended questions were drafted, covering reflections on leadership competencies and their application during the start-up stage, throughout the growth stage of the firm, and retrospective reflections on the end-to-end growth journey. The open-ended questions were asked in a manner to stimulate reflection and elaboration on part of the interviewees. The researcher was careful not to interrupt or disrupt the candidates’ thought processes, and rather focused on ensuring that the questions to be asked were answered as part of the participants’ conversational flow.

4.5.4 Time Horizon

An important aspect of research design is the time horizon (Saunders *et al.*, 2019). The question the researcher needs to consider is whether the research question is best answered by repeating the collection and processing of data from the same individuals over a certain length of time to detect changes, a longitudinal time horizon, or if data should be collected and processed from different people at a specific point

in time, a cross-sectional time horizon (Saunders *et al.*, 2019). The researcher considered a cross-sectional time horizon to be best suited for the research, as the research question is answered by seeking knowledge and an understanding of events that have happened during the interviewees' growth journeys of their firms. A longitudinal approach would in contrast only be feasible if the interviewed founders repeated the events in multiple ventures, such that the same interviews could be held repeatedly over a period. Semi-structured interviews were held during a three-week period with founders who had materially participated in their firms' growth journey from start-up to scale-up.

4.6 Data collection, measurement, and analysis

4.6.1 Population and Sampling

Dudovskiy (2022) discusses non-probability and probability sampling as the two groups of principles in the selection of samples of the population to be included in the research. Effectively, not everyone of the available population can be included, as the study then would become unmanageable. While there are several methods, purposive sampling can prove useful when there are limitations as to who can be the source of information, who has the relevant knowledge, experience, and connection to the research objectives (Dudovskiy, 2022). The researcher adopted purposive sampling to secure relevant data collection, and to ensure the sample met the criteria set out by the researcher.

The interviewees had to meet the following criteria:

- Need to be a founder of their firm.
- Must have been with their firm from a state of start-up through to a state of successful, or failed, scale-up.
- Must have been instrumental in their firm's growth journey.
- Their growth journey should be recent, having commenced within the last 10 years and reached a scale-up state within the last 5 years.
- Their firm must be an Irish firm.
- Their firm should be a fintech, while a high-tech firm of similar complexity would be accepted.

Saunders *et al.* (2019) discuss three types of bias that may affect the quality and reliability of a study. In the sampling process one might consider the participation bias the stronger risk factor (Saunders *et al.*, 2019). To mitigate the risk of participation bias, the researcher selected a sample with no pre-existing relationship between the interviewer and interviewee. The interview time requirement was an initial bias concern in the selection process for the researcher, while it later proved the least important aspect of the selection process; candidates either were, or were not, available in the time window the researcher had to perform the interviews, irrespective of the time required for the interview itself. The researcher set out to interview six to ten candidates. The study population was drawn both from Enterprise Ireland's Sector Profile and Company Directories, utilising published and publicly available contact information, and the researcher's own professional network via LinkedIn. The researcher estimated that 100-150 contacts would need to be selected and reached out to, to secure the six to ten interviews. The final sample size was five candidates.

4.6.2 Pilot Study

Wilkinson and Birmingham (2003) emphasise the importance of piloting. They suggest there's imperfection with each research instrument, and to remove ambiguity and bring clarity and focus to the interviews, a pilot would be recommended (Wilkinson and Birmingham, 2003). The idea of a pilot study is well established as a method to increase the quality of interviews (Creswell, 2007; Dudovskiy, 2022; Saunders *et al.*, 2019).

The researcher was conscious of the limited access to relevant candidates and chose to perform a pilot with two peers in the fintech industry that had significant experience in leadership positions of firms that had gone through similar growth as that of the research subject. The two peers had previously been excluded as interview candidates due to the pre-existing professional relationship with the researcher but had the required background for the pilot study. Through the pilot, interview questions, flow and structure were refined, and helped the researcher arrive at a final process for the live interviews.

4.6.3 Data Collection

Following the sampling parameters, each potential candidate was reached out to with details concerning both the study and the interview. An invitation letter and consent form were created and used, alongside a short form invitation for LinkedIn InMail. Each of the final interviewees were at the start of each interview reminded that the interview was fully anonymous, and they were thanked for their voluntary participation. The final cohort consented via email communication rather than using the formal consent form, likely for convenience, and the researcher has retained the consent alongside the interview material in secure storage for the duration of the data retention period.

The candidates were invited to set their own dates and times for the interviews within the interview time frame of three weeks. The candidates were also invited to decide whether the interviews should be held in-person, over Zoom, Google Meet, or any other online channel. All final candidates chose an online channel for the interviews, rather than in-person. The researcher used an online recording and transcription tool to capture the interviews and sought and secured each candidate's permission to record the session at the beginning of each interview.

4.6.4 Data Analysis

Transcripts of the audio-recorded interviews were processed and analysed using Braun and Clarke's (2006) guidelines for thematic analysis. Once intimately familiar with the data, the researcher coded the data to capture both semantics and concepts. The collated codes and data extracts were themed, iteratively reviewed, and then defined and named, before the thematic analysis was written up (Braun and Clarke, 2006).

The process followed was the thematic analysis phases, as defined by Braun and Clarke (2006):

1. Data Familiarisation
2. Initial coding
3. Theme search
4. Theme review

5. Theme definition and naming
6. Reporting

The researcher used two established data analysis tools to perform the analysis; (i) ATLAS.ti (ATLAS.ti, 2023) and (ii) NVivo (NVivo, 2023).

4.6.5 Validity

Dudovskiy (2022) suggests that validity of research is a question of how well the scientific research method was adhered to throughout the analysis and findings procedures (Dudovskiy, 2022). Wilkinson and Birmingham (2003) refer to the process of ensuring that the coding represents what the candidates were saying. The researcher was careful to follow the analysis process as defined by Braun and Clarke (2006), while iteratively referring to transcripts for accuracy.

4.7 Ethical Considerations

In preparation for the study, the researcher reviewed in detail the NCI Ethical Guidelines for Research with Human Participants, and submitted the Human Participants Ethical Review Application Form, and included a participation invitation letter describing the study, what's involved, benefits and possible risks, confidentiality, and data protection, as well as a participation consent form; all for review by the NCI Ethics Committee.

To ensure the safety of the participants, the researcher was careful to emphasise that participation was fully voluntary, anonymous, would not address business confidential topics, what procedures would be followed if either party would consider risk of harm, data safety procedures and the data retention process. The researcher further described to all participants the basics of thematic analysis and coding, to further underscore the anonymity and data safety of the research.

The research, in part and whole, does not reveal any identifiable information; not direct, not indirect, from any of the participants or their firms.

4.7 Research Methodology Limitations

The research methodology, with all adopted procedures and methods, has several constraints that have an impact on generalisability, accuracy, reliability, and validity.

Purposive sampling, as a starting point, is a non-probability sampling method where there is no random factor, but the population sample is chosen. Since this study has a clearly defined and limiting set of criteria of the sample, purposive sampling was the only reliable method to acquire candidates meeting the requirements. The researcher has done the utmost to remove bias in the sample selection by choosing candidates where there was no pre-existing relationship between the interviewer and interviewee. In addition, no time constraints and no predetermined channel for the interview were imposed on the interview candidates.

Further, there is little doubt that the research results are difficult to replicate. By nature, semi-structured interviews in a qualitative study are unique with part of the control of the interview resting in the interviewees' hands, while the knowledge sought may be the same, with each interview following the same format. The methods and procedures adopted in this study were determined to be the most appropriate to achieve the research aim, and the researcher has taken all efforts to remove bias from the process, by adhering to the same recipe throughout all interviews. In addition, the researcher took all measures to ensure that the scientific research method was adhered to throughout the analysis and findings procedures.

This research may be further enhanced by, for instance, surveying operational managers, and possibly board members and key investors of firms meeting the research criteria. Access to the two latter cohorts may prove difficult, while access to operational managers can be a feasible quantitative study, expanding this research into a mixed research methods design, which can form the outset for future research on this topic.

4.8 Conclusion

In this chapter, the research methodology adopted by the researcher to achieve the research aim and answer the research question was described. The research

rationale, philosophy, approach, and design, followed by the data gathering process from sampling to data collection, pilot, analysis, and validity were addressed in detail. Lastly, ethical considerations were provided by the researcher.

In the next chapter, the analysis and subsequent findings will be presented.

5. Analysis and Findings

5.1 Introduction

The literature review in this study uncovered that there are many reasons for start-up failure. The researcher finds it noteworthy that failure in part may be attributed to lack of knowledge, experience, education, and social and human capital. The review of literature also uncovered that while there are significant studies concerning leadership and leadership competencies, it appears that studies relating to entrepreneurship and entrepreneurial leadership competencies are only in its infancy. There is also seemingly consensus in available studies suggesting that the entrepreneur, the founder of a new business, needs a vast range of leadership competencies to successfully grow and scale a business, while there is little agreement on what these leadership competencies are, and whether they need to change as the start-up begin to scale and change. The findings in the literature review informed the formulation of the questions posed in the subsequent semi-structured interviews. The interview questions are available in Appendix 3.

As presented in chapter 4, section 6.4, the interviews were processed and analysed using Braun and Clarke's (2006) guidelines for thematic analysis, to create codes and extract themes. The process involved the researcher becoming intimately familiar with the recorded interviews, the data. The raw data, the transcripts, were then uploaded to both ATLAS.ti (ATLAS.ti, 2023) and NVivo (NVivo, 2023) for coding. These two software packages are the leading data analysis software for qualitative and thematic analysis. Once the researcher had completed the coding, theme discovery commenced in an iterative process, to eventually deliver the thematic report. While the software provided rigour and reliability to the process, the researcher performed Braun and Clarke's (2006) 6-step thematic analysis on the raw data, to confirm consistency.

The semi-structured interviews were divided into three clusters: (i) the firm in its early stages, (ii) the firm during the growth stage, and (iii) retrospective reflection. The purpose of the three clusters were to ensure to the extent possible that the data gathering covered the establishing of a start-up, changes as an organisation grow to scale-up, and learnings after the fact.

Prior to commencing theme search and discovery, the researcher examined the raw data from each cluster, and possible key considerations from the initial coding exercise. While no themes had been searched for at this stage, some observations could be made. For instance, in the first cluster, the firm in its early stages, there is active network activity in the basic code groups Business, Business Strategy, Motivation, Professional Development and Skills, as can be seen in Figure 2 below. In the second cluster, the firm during the growth stage, Business, Business Management, Performance, Culture and Conflict are the dominant code groups in the network activity, as per Figure 3 below. Lastly, in the third cluster, retrospective reflection, the active network activity in the code groups change to Personal Development, Organisational Development, Organisational Effectiveness, Transition, and Business Strategy, as can be observed in Figure 4 below. While no detailed conclusions can be drawn from this observation, it seems accurate that the data gathered from the interviews suggest that:

- A) There's a fundamental shift in leadership competencies considerations in a firm's start-up phase versus its scale-up state, transitioning from drivers to get the start-up off the ground to competencies required to manage the business with organisational and cultural and changes; and
- B) In retrospective reflection, founders are seemingly more aware of leadership competencies and considerations to organisational and personal development beneficial in the process of founding and scaling a business.

As a final overview, Figure 5 shows the base codes with their respective reference volumes, and Figure 6 shows the concepts distilled from the interview transcripts, which emphasises the weight of areas approached during the interviews. The codes presented in Figure 5 have subsequently been organised, renamed, and developed into themes in an iterative process.

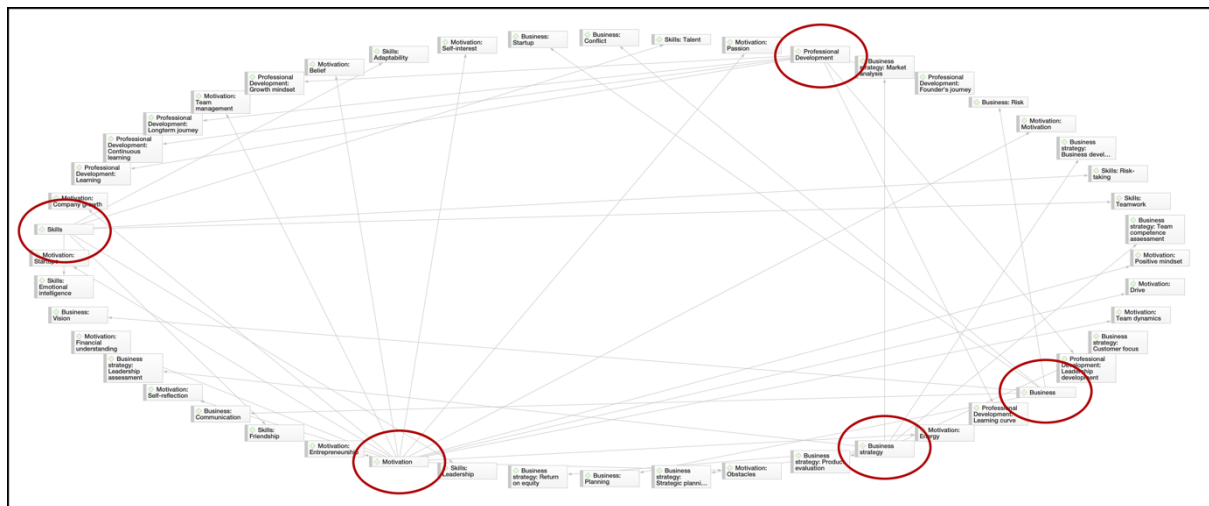


Figure 2: Network activity codes in cluster 1 (Source: ATLAS.ti)

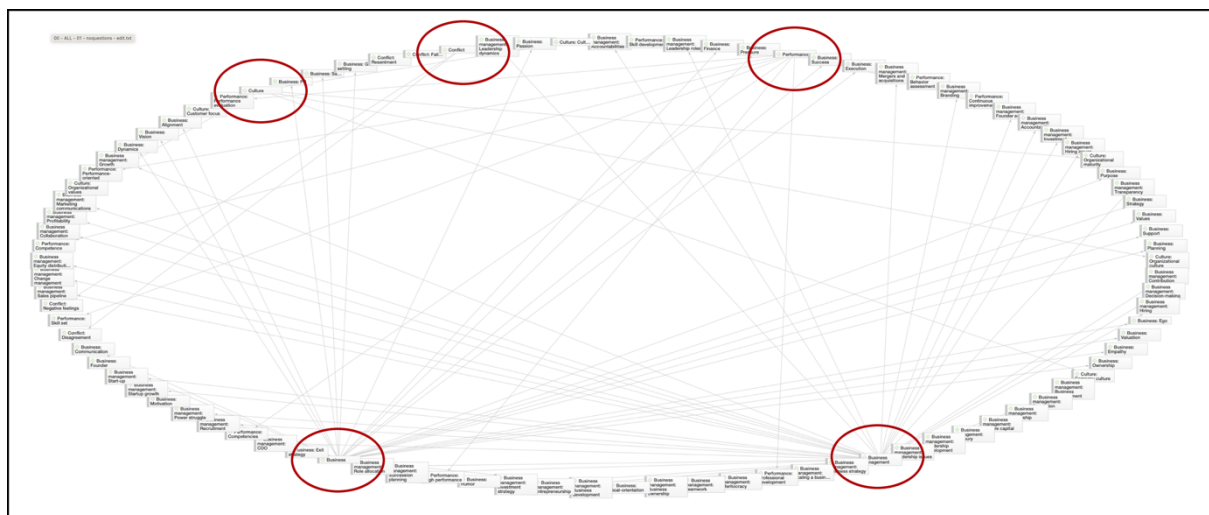


Figure 3: Network activity codes in cluster 2 (Source: ATLAS.ti)

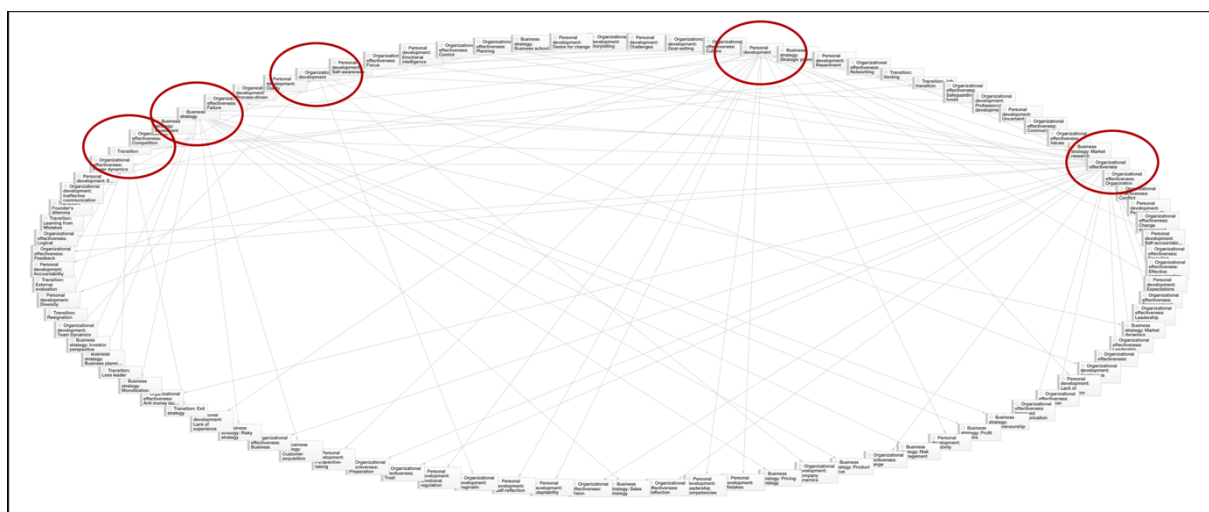


Figure 4: Network activity codes in cluster 3 (Source: ATLAS.ti)

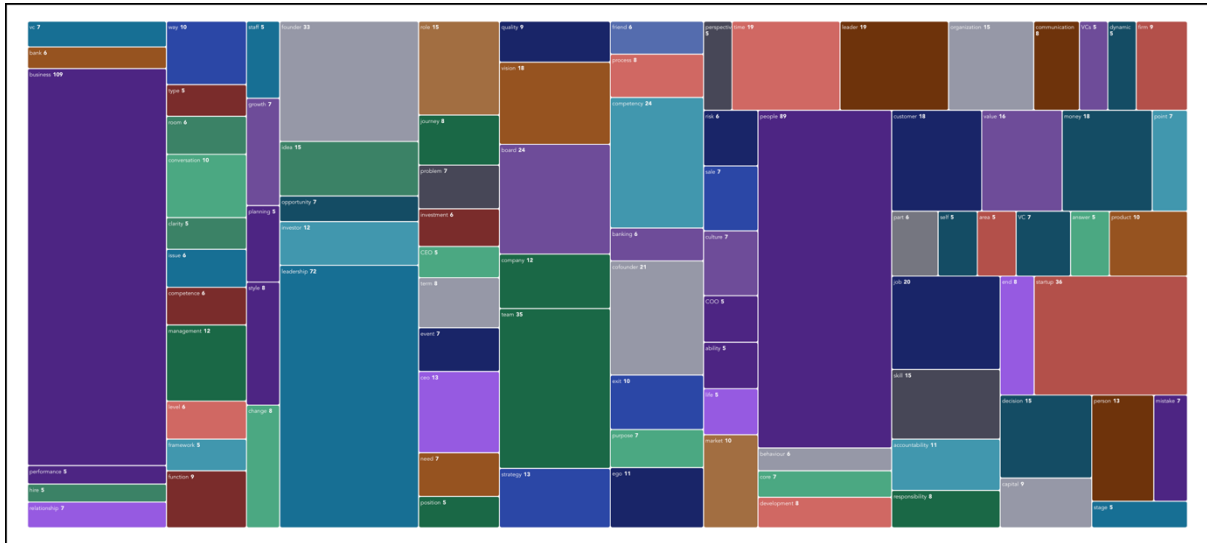


Figure 5: Base codes prior to thematic analysis (Source: ATLAS.ti)



Figure 6: Concepts distilled prior to thematic analysis (Source: ATLAS.ti)

5.2 Thematic Analysis

The themes discovered, as presented in Figure 7 below, using the data analysis software were consistent with the manual analysis of the interview transcripts.

The coding process itself involved:

- Coding the raw data, which yielded many codes
- Creating code groups to consolidate and filter codes
- Searching for themes among the code groups and the raw data
- Reviewing and refining code groups and themes in an iterative process
- Naming and reporting the themes, as follows below

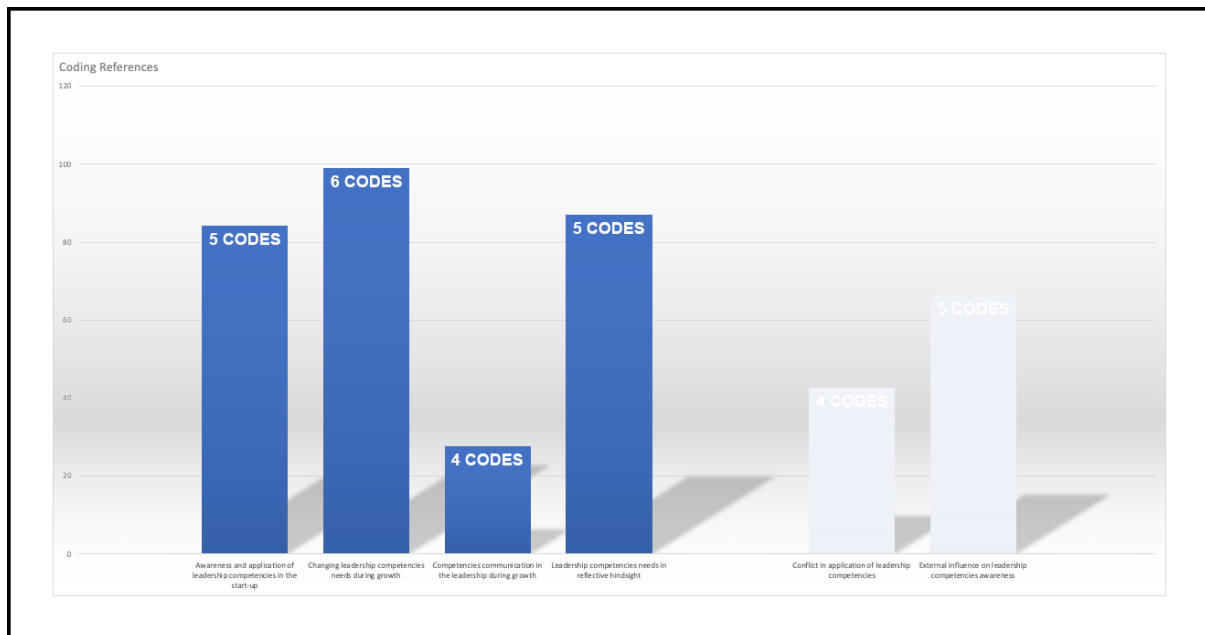


Figure 7: Thematic Analysis Themes (Source: NVivo)

Four main themes were discovered during the thematic analysis:

1. Awareness and application of leadership competencies in the start-up
2. Changing leadership competencies needs during growth
3. Competencies communication in the leadership during growth
4. Leadership competencies needs in reflective hindsight

Two peripheral themes were also discovered during the analysis. While the researcher found the two themes interesting, they were deemed unhelpful in achieving the research aim and are therefore not further explored, analysed, or discussed in this study. They are noted here for completeness:

5. Conflict in application of leadership competencies
6. External influence on leadership competency awareness

The main themes discovered will be addressed in order, and mapped to the research objectives as appropriate, and linked back to the literature review where applicable. To reiterate from chapter 3, the research objectives of this study are as follows:

1. Explore founders' awareness of leadership competencies needs during the firm's early start-up stage and how they are applied in practice.
2. Explore how founders reflect on and communicate changing leadership competencies needs as the firm enters a significant growth phase.
3. Explore if and how founders can equip themselves with the necessary leadership competencies to sustain their roles after major growth events.

5.2.1 Theme 1: Awareness of leadership competencies in the start-up

The study's first objective was to explore the awareness and application of leadership competencies by founders in a firm's early start-up stages, to understand whether leadership competencies were consciously considered, if they were deliberately sought for and deployed in the firm, and if any specific competencies were considered more significant than others, to establish and grow the business. Going back to Kassai (2022) and the 25 competencies his study identified as key in a firm's development, this research sought to explore to what extent entrepreneurs considered and valued leadership competencies. Figure 8 below shows the base codes, extracted from the consolidated codes (code groups), associated with the extracted quotes, and their relationship with each other within the first theme and the first objective.

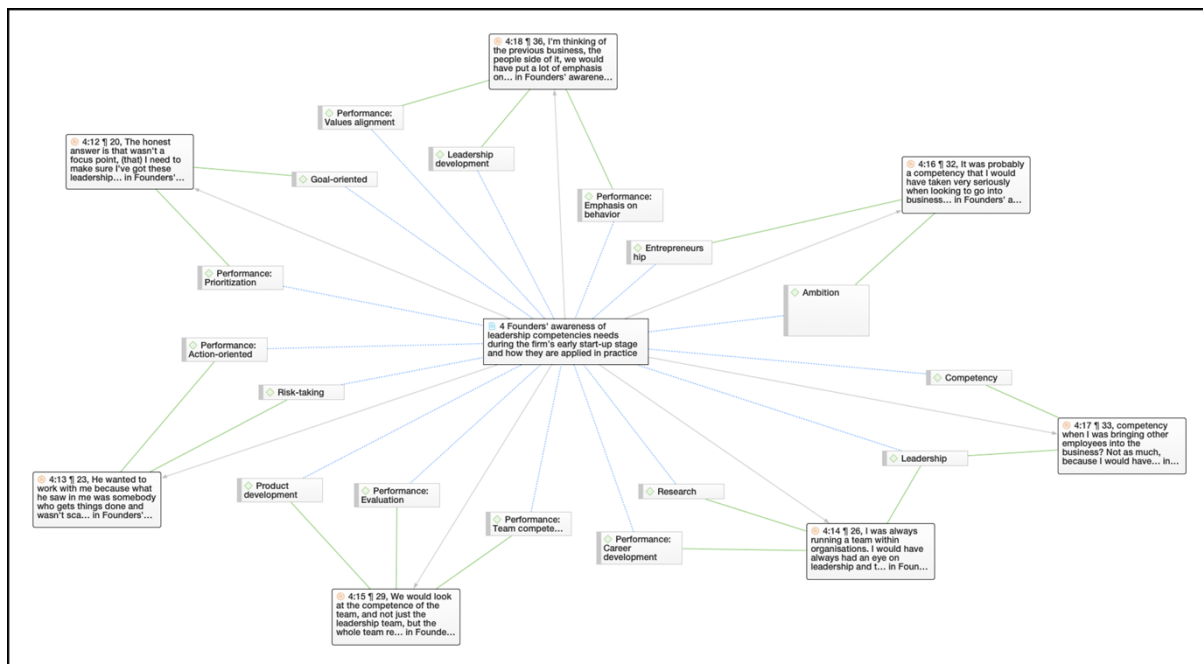


Figure 8: Thematic Analysis – Theme 1 (Source: ATLAS.ti)

Among half of the participants, leadership competencies were not in the consideration set. Competencies were still deployed and utilised in these cases, while not as a conscious effort, but rather as a by-product of dividing tasks and responsibilities to set up and run the business.

“The honest answer is that wasn't a focus point, (that) I need to make sure I've got these leadership qualities. It was more around just focusing on the next step really, the next client, the next employee, then it would be the next product development and it was very much isolated for processes like that.” (Founder Alpha)

“He wanted to work with me because what he saw in me was somebody who gets things done and wasn't scared of taking risk. And they were the two key drivers really, to get this thing up and running, right, which is not all about, am I leader, am I a manager, you know, do I know how to get the best out of people? Basically, if you've got a good idea and you've got somebody who's got the gaps in the ability to make things happen, then you've got a chance.” (Founder Gamma)

Conversely, with the remaining participants, leadership competencies were deliberately considered, and an integral part of assembling the founder's team of the firm, in an effort to provide the best possible outset for the firm, based on their prior experience from other start-ups.

“I was always running a team within organisations. I would have always had an eye on leadership and the type of leader you know. I've done some research around it, as I was going through my career. In my job prior to setting up Company Delta, I would have been managing my own business, so I would have given it a lot of thought.” (Founder Delta)

“We would look at the competence of the team, and not just the leadership team, but the whole team really to try and see - do they have the requisite experience and skills to be able to deliver on it? So, their ability to make the

product and to get it out, would be something that we would certainly consider.”
(Founder Beta)

“It was probably a competency that I would have taken very seriously when looking to go into business with my co-founders. In particular – did I in the early days look at that competency when I was bringing other employees into the business? Not as much, because I would have qualified and identified the co-founders have the leadership skills, to be able to get this thing off the ground and to a level whereby we can be successful.” (Founder Epsilon)

None of the participants named specific leadership competencies but attributed activities and behaviours in the organisation to leadership competencies, which is consistent with Forster *et al.* (2013) discussing the lack of prominence these competencies are given in start-ups.

The common denominator among all participants was the distribution of competencies in the leadership or founder team. No participant claimed or suggested it realistic to see all key competencies in one individual, which adds perspective to existing research where, for instance, Krieger *et al.* (2018) discuss the vast number of competencies an entrepreneur needs.

In contrast to Spanjer and Van Witteloostuijn (2017), founders who had experience from multiple successful ventures, capitalised on the leadership competencies learnings from prior ventures in their current business.

“I’m thinking of the previous business, the people side of it, we would have put a lot of emphasis on not just the skills and knowledge of the people but also the behaviours. We had quite a lot of work that we did in the area of highlighting behaviour and its consistency to the different values of the organisation. And that was a tool that we use quite extensively with the leadership.” (Founder Beta)

The findings in this first theme enable the researcher to address the first objective. There is a significant difference between first time founders and repeat entrepreneurs.

First time founders do not consciously consider leadership competencies during the firm's initial start-up phase, while they are applying and exhibiting behaviours consistent with the practise of leadership competencies. Experienced entrepreneurs make deliberate use of leadership competencies and capitalise on prior leadership experiences to set up and scale the business.

5.2.2 Theme 2: Changing leadership competencies needs during growth

The study's second objective was to explore changing leadership competencies needs and how founders reflect on and communicate these needs, in the event there is an acknowledgment thereof. This objective has the least support in the literature. While there is significant research on leadership and leadership competencies, and while studies on entrepreneurship is growing in recent years, studies on entrepreneurial leadership competencies are in its infancy, as suggested by Leitch and Volery (2017), and there is little scholarly attention to changing entrepreneurial leadership competencies needs as an organisation grows from start-up to scale-up. This theme and the next aim to address this objective. Figure 9 below shows the base codes, extracted from the consolidated codes (code groups), associated with the extracted quotes, and their relationship with each other within the second theme and the second objective.

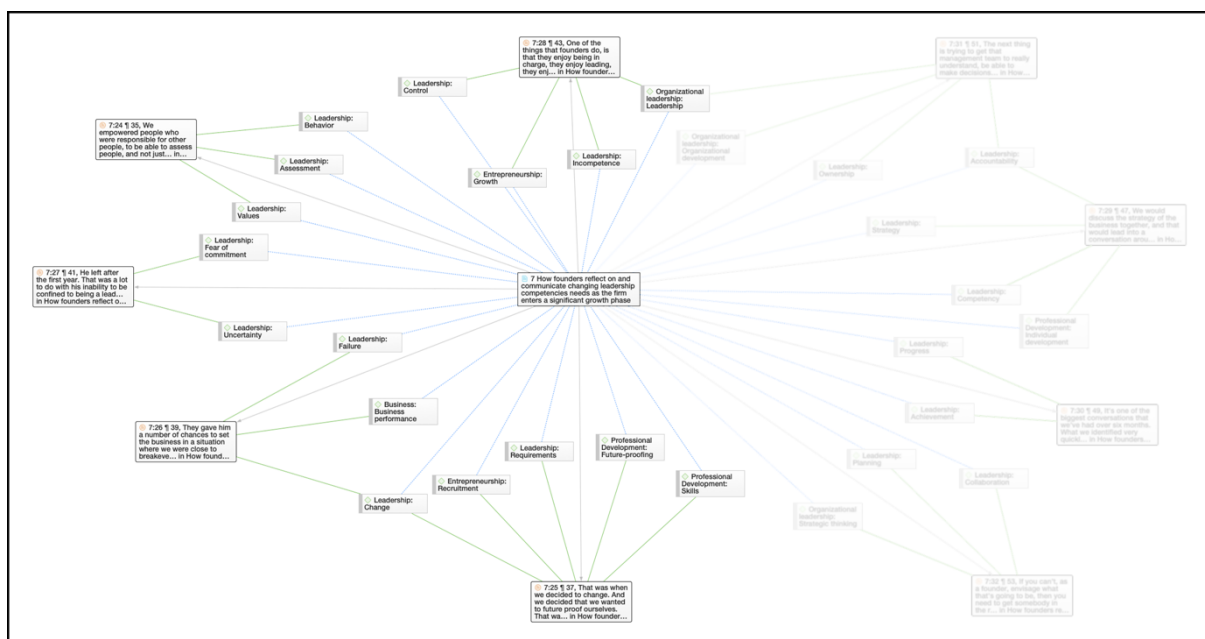


Figure 9: Thematic Analysis – Theme 2 (Source: ATLAS.ti)

When the participants were asked whether they observed a need for change in leadership competencies as the organisation started to grow, the response was somewhat diverse. One participant emphasised that while competencies were important, behaviours consistent with the role and responsibilities were more important.

“We empowered people who were responsible for other people, to be able to assess people, and not just in terms of their skills and their knowledge, but also in terms of their behaviour. And that was one of the great assets I think that we had, where we had a very open environment about behaviour and whether that behaviour was consistent, which yielded the values of the institution or not, and whether something needed to be done.” (Founder Beta)

Another participant described how they recognised that they had come to a point in their firm’s development where the founders no longer had the required skills to bring the business to the next level, and subsequently brought in an external executive to take charge.

“That was when we decided to change. And we decided that we wanted to future proof ourselves. That was when we decided okay, well, let's look at what's required to do that. We looked at the requirements. We just knew that wasn't the skill set we had. So that was when, it was kind of, this is the next step is we need to get the right people in.” (Founder Alpha)

Two participants presented a scenario where a co-founder did not recognise the need for change, and ultimately was pushed out of the organisation by the investors and the board of the company. Effectively, the business was aware of the changing needs, while the co-founder was unaware.

“They gave him a number of chances to set the business in a situation where we were close to breakeven or where we were compelling enough for additional investors to come on board, and that is the two things you're chasing. It's either a higher valuation or breakeven, profitability. He failed. If after five years it

doesn't look like you're getting there, that's the time you make a change. It was about then he left.” (Founder Gamma)

“He left after the first year. That was a lot to do with his inability to be confined to being a leader of a company like this, and what it would entail.” (Founder Delta)

The unawareness exhibited with the co-founders above is further elaborated on below, also describing how this obliviousness may hinder competency development in the leadership team.

“One of the things that founders do, is that they enjoy being in charge, they enjoy leading, they enjoy everything being routed through them. Then if things aren't going well, they can be quite difficult to deal with. Because they're wondering why their leadership team is so incompetent, they couldn't make decisions themselves. But if you don't focus on the growth of your leadership team, then you can't expect them to be able to lead the business.” (Founder Delta)

While all expressed sentiments of what was expressed by one participant.

“We always wanted to hire the right people, and as founders it's all about hiring the right people.” (Founder Gamma)

The findings in this second theme enable the researcher to partially address the second objective. The need for change in leadership competencies is mostly, but not always recognised by founders or co-founders themselves but, as can be observed above, when the need materialises and the internal forces don't spring into action, external forces, such as investors or a board of directors, will ensure the change take place.

This theme, with a focus on leadership competencies communication during firm growth, aims to address the second part of the second objective, to allow the researcher to answer the second objective in full. Figure 10 below shows the base codes, extracted from the consolidated codes (code groups), associated with the extracted quotes, and their relationship with each other within the third theme combined with the second theme and the second objective as a whole.



“We would discuss the strategy of the business together, and that would lead into a conversation around the accountabilities and the competencies of the individuals that would have been there. So inherent in our methodology there is a lot of work that goes into the accountabilities, objectives, and development needs of the individual.” (Founder Beta)

“It's one of the biggest conversations that we've had over six months. What we identified very quickly was that we can bring it on a good journey bring it to a certain point. Then we build a commercial function that has foundations that can stand on its own two feet.” (Founder Epsilon)

“The next thing is trying to get that management team to really understand, be able to make decisions, delegate responsibility, and have ownership in each area. If you can transfer that ownership and accountability right across the organisation, I think you then begin going from the adolescent stage to adulthood.” (Founder Delta)

There is consensus among all participants that communicating the need for change in leadership competencies, and discussing that need in the leadership team, and where necessary change the practitioners of the required competencies, is critical to the growth of the organisation, while the conversation was absent in some of the firms. One participant expressed this absence of recognition of needed change.

“If you can't, as a founder, envisage what that's going to be, then you need to get somebody in the room that's going to help you figure that out. Because if you haven't thought of it, then you're not thinking, and it's just going to happen to you.” (Founder Delta)

The findings in this third theme enable the researcher to address the second objective in full. Participants unanimously acknowledge the importance of recognising the need in changing leadership competencies, and there is equally full consensus on the importance of communicating this need for change within the leadership. This recognition does not always take place among founders, while in these instances, the change is still executed, driven by external forces such as company investors.

5.2.4 Theme 4: Leadership competencies needs in reflective hindsight

The study's third objective was to explore whether founders can survive major growth events by equipping themselves with the necessary leadership competencies. This objective is addressed by asking participants to reflect on passed events. Figure 11

below shows the base codes, extracted from the consolidated codes (code groups), associated with the extracted quotes, and their relationship with each other within the fourth theme and the third objective.

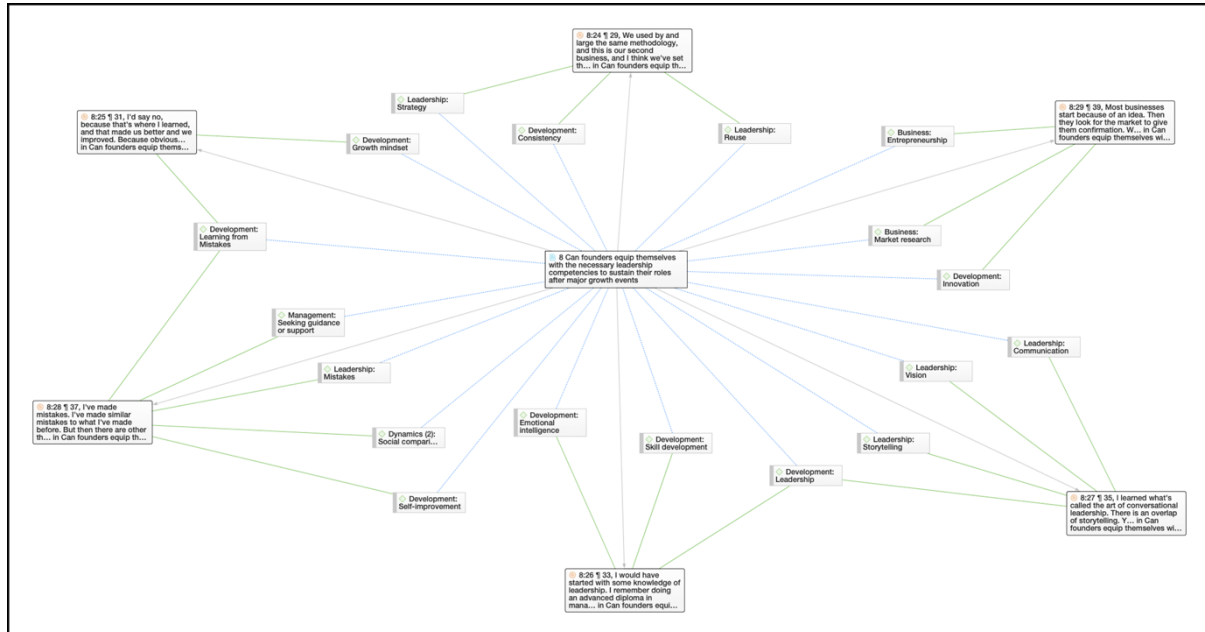


Figure 11: Thematic Analysis – Theme 4 (Source: ATLAS.ti)

Participants pointed to prior experiences as a key source of competencies and learnings.

“We used by and large the same methodology, and this is our second business, and I think we've set the same strategic leadership conversation, and the tools that we're using to discuss the vision and the values of the organisation, the proposition that we intend to bring to market, and then how we're going to be organised to deliver on that. We reused a lot from the first run.” (Founder Beta)

Similarly, participants suggested they would not change anything if going back, repeating the same venture.

“I'd say no, because that's where I learned, and that made us better and we improved. Because obviously it gave us a lot more competencies in different areas moving forward. But if they never had happened, we'd never learn from

them, and we will never gain more skills or lessons about what we should have done.” (Founder Alpha)

Some participants suggested leadership training, coaching, or external advice.

“I would have started with some knowledge of leadership. I remember doing an advanced diploma in management practice. That's where I picked up the theory of emotional intelligence. That was a real insight. It means being able to adapt to different people, different circumstances. It is an attribute or skill set that I would like more people to have.” (Founder Delta)

“I learned what's called the art of conversational leadership. There is an overlap of storytelling. You often see in great leaders the ability to be able to tell a story, to be able to get people on board. The ability to articulate vision is important in the role as a leader, because at the early stages you need everyone buying into that vision. You've got to get people to buy into this dream. Otherwise, they're not going to go on this journey with you.” (Founder Beta)

“I've made mistakes. I've made similar mistakes to what I've made before. But then there are other things that I've done, where I've avoided the pitfalls that I've stepped into. Sometimes it's very difficult and you kind of sleepwalk into making the same mistakes again. It helps to have a strong board with a strong chairman. Don't worry if you're not the smartest in the room, just make sure you're friends with the smartest in the room.” (Founder Gamma)

One participant described a path where, as opposed to planning forward, they start with the exit and plan backwards, and through that process determine what competencies are needed.

“Most businesses start because of an idea. Then they look for the market to give them confirmation. We started a business to create value for an event to happen. Of course, you need market indications along the way, but from day one we've been reverse engineering from the event.” (Founder Epsilon)

The findings in this fourth theme enable the researcher to address the third objective. The participants demonstrated diverse thoughts on how and if a founder can equip themselves with the leadership competencies necessary to survive a major event. The common strands, however, were twofold; (i) use learnings from past experiences, and (ii) learn through training or coaching. The findings correspond with Gupta *et al.* (2020) who suggests that entrepreneurs need continuous learning, and need to possess qualities that allows that learning to take place, for the entrepreneur to be successful with their start-up. Bonfanti *et al.* (2019) discuss practical, experiential learning, which can be viewed as a close parallel to learning from prior, practical experiences.

5.3 Limitations of Study

In chapter 4, section 7, the researcher described limitations with the research methodology and the adopted procedures and methods. The adopted approach was determined the most appropriate to address the research objectives. The researcher recognises that additional limitations are imposed on the study, as discovered during preparation and execution of the semi-structured interviews.

1. The researcher confirmed participation with eleven founders, having enquired approximately 120 candidates. Out of the eleven confirmed, only five materialised into interviews. The researcher had set out to capture six to ten interviews, with the outcome falling just below the intended margin. Considering the subsequent analysis outcome, the researcher is confident the results from the five participants are representative. There were no signs of outliers. However, a larger sample size, even beyond the intended ceiling of 10 participants, would've contributed to additional rigour and reliability in the findings.
2. The researcher found that while the research topic is relevant and worthy of study, one may want to consider external limitations when setting out research objectives and aim, particularly as it pertains to time and access. This study would not be possible by surveying or interviewing staff, managers, or directors of organisations, but had to involve founders and chief executives directly. In

other words, it involved the individuals with the least amount of availability in each organisation and with the lowest opportunity one has, to obtain access to.

3. Abovementioned limitation to access introduced possible limitations to theme discovery, which potentially could have added to the findings and discussion. The researcher discovered two peripheral set of findings concerned with leadership competencies and conflict, and leadership competencies and external influence. These two sets of findings, or possible themes, were not part of the original research objectives, but with additional time and access, while not certain, it may have added to the research.
4. The limitations discussed in chapter 4, section 7, had its impact on the study as defined in mentioned chapter.

5.4 Conclusion

Each conversation with participants was performed as a semi-structured interview, with open-ended questions. Braun and Clarke's (2006) thematic analysis framework was used to analyse the transcripts, with the aim to address the research objectives. The transcripts were analysed both manually and by utilising the data analysis software ATLAS.ti (ATLAS, 2023) and NVivo (NVivo, 2023) to add rigour and reliability to the process and mitigate potential bias to the extent possible. Four key themes relevant to the research objectives were identified, with a set of findings in each, addressing the research objectives.

Going back to Kassai (2022) and the 25 key competencies, as per Figure 1 above, it is notable that the participants described all key competencies during the leadership competencies interviews, while never suggested them to be present in one leader.

The findings from the thematic analysis will be discussed in the next chapter.

6. Discussion

6.1 Introduction

The aim of this study was, to recap from chapter 3, to attempt to uncover whether leadership competencies and their practitioners contributing to a firm's success as a start-up are suitable through to its scale-up state, or whether change in competencies and leadership is needed for continued success as the firm changes.

The research aim was divided into three research objectives, to determine what needed to be studied, and how the research aim was to be achieved. These objectives were, again to recap from chapter 3:

1. Explore founders' awareness of leadership competencies needs during the firm's early start-up stage and how they are applied in practice.
2. Explore how founders reflect on and communicate changing leadership competencies needs as the firm enters a significant growth phase.
3. Explore if and how founders can equip themselves with the necessary leadership competencies to sustain their roles after major growth events.

The three research objectives were addressed in four themes that were discovered and defined through the thematic analysis of interviews conducted with relevant participants of this study. To recap from chapter 5, the four themes were:

1. Awareness and application of leadership competencies in the start-up
2. Changing leadership competencies needs during growth
3. Competencies communication in the leadership during growth
4. Leadership competencies needs in reflective hindsight

Through the qualitative data analysis of the interviews from this study, certain findings were made. While more findings were made in the prior analysis than presented here, and as can be reviewed in chapter 5, these were the key findings:

- Objective 1 (Theme 1)

- First time founders do not deliberately consider leadership competencies when establishing their start-up, whereas repeat founders actively do consider leadership competencies and seek to complement needed competencies in co-founders.
- Founders do not seek to acquire all leadership competencies required to grow and scale the business, for themselves alone.
- Objective 2 (Theme 2 and Theme 3)
 - First time founders are not aware of mounting needs for change in leadership competencies as the business change and grow, whereas repeat founders are, and attempt to take appropriate measures.
 - Founders who remain unaware of needs for change in leadership competencies and the ability to execute their role accordingly during firm growth, will have change executed for them by external forces, such as venture capital investors.
- Objective 3 (Theme 4)
 - Founders consider learnings from past experiences the most important asset to equip themselves with, to sustain their roles after a major growth event.

These key findings will be discussed and evaluated in this chapter with consideration to existing literature, to determine if the research aim is achieved.

6.2 Key Findings

6.2.1 Key Finding 1

First time founders do not deliberately consider leadership competencies when establishing their start-up, whereas repeat founders actively do consider leadership competencies and seek to complement needed competencies in co-founders.

Gupta *et al.* (2020) discuss the entrepreneur's learning abilities, and the importance of continuously seeking knowledge and learning new competencies, to be successful as an entrepreneur, as a founder of a venture. They go as far as calling it pivotal, suggesting that learning contributes to entrepreneurial success by aiding in the acquisition of domain-specific knowledge. Limsong *et al.* (2016) also emphasise how important human capital is for the organisation to achieve success. Limsong *et al.* (2016) go into extensive detail regarding how the entrepreneur's knowledge and skills and behaviours are instrumental in a firm's success journey. There is consensus in the literature that competencies, and for the founder and executive of a start-up, leadership competencies, are of utmost importance.

This research shows through its study participants that repeat founders acknowledge and embrace the sentiment of the findings of Gupta *et al.* (2020) and Limsong *et al.* (2016), whereby repeat founders deliberately seek to address competency gaps by either acquiring the knowledge themselves or by seeking to address missing competencies in co-founders. The study also shows this to be material in the future success of ventures of these founders.

Is there then a contradiction in the study where first-time founders do not exhibit the interest or awareness of the need of specific entrepreneurial leadership competencies to be successful? On the contrary, as it is observed that both Gupta *et al.* (2020) and Limsong *et al.* (2016) suggest that empirical learnings from both success and failure are critical, and that particularly failures provide the optimal learning ground. They further describe the importance of experiential learnings akin to the research of Bonfanti *et al.* (2019), where entrepreneurs learn by observing critical aspects of the venture in practice.

It could be argued, while possibly controversial, that first time founders may need to experience failure to learn how to be successful. First time founders may need to strive towards becoming repeat founders to capitalise on prior experiences and to be able to appreciate the need more deliberately for addressing leadership competency gaps, to provide the pivotal foundation required to be successful. Forster *et al.* (2013) may also have a valid point in that entrepreneurial leadership competencies are not given sufficient prominence. There is, however, a contradiction in the above proposition

when considering Spanjer and Van Witteloostuijn (2017), where they suggest that entrepreneurs may have difficulties drawing from past experiences, while this study and its participants show the opposite.

There appears to be room for further research into both the differences between first time founders and repeat entrepreneurs and their disposition to competency development, and how the evolved and materialised success and failure factors differ between the two types of founders.

6.2.2 Key Finding 2

Founders do not seek to acquire all leadership competencies required to grow and scale the business, for themselves alone.

From the first key finding it is suggested that first time founders do not consciously seek to acquire leadership competencies, and do not consider them part of their “start-up toolkit”. Whether this second key finding applies to first time founders is uncertain, while it may be suggested that they are captured in the finding by virtue of not seeking to acquire leadership competencies at all.

Repeat entrepreneurs among study participants considered leadership competencies of utmost importance. However, there was no desire or intention to acquire all competencies required in their business for themselves. It appears a balance needs to be reached between the founder who “enjoy being in charge ... enjoy leading ... enjoy everything being routed through them” as expressed by participants, and the founder who’s considering the leadership competencies, attributes, skills and behaviours of the entire leadership down to “bringing in people from more boring, steady organisations ... they’re so process driven ... so pragmatic ... so logical”, a cohort effectively possessing what could be described as mature leadership competencies, suitable as the start-up evolve to a scale-up organisation.

In contrast to findings in this study, research suggests that entrepreneurs need a vast set of competencies. Kassai (2022) analysed findings in 18 leadership competency studies and discovered 120 leadership competencies across 5 domains that an

entrepreneur would need, which then was distilled down to 25 key competencies, as per Figure 1 in chapter 2. Spanjer and Van Witteloostuijn (2017) discussed the number of leadership skills an entrepreneur should embody.

This opens to the question whether there is an opportunity for future research into leadership competencies an organisation needs, and in particular the start-up, as well as how these leadership competencies change in the organisation over time and, as a key consideration, which roles in the organisation need to hold the respective competencies.

6.2.3 Key Finding 3

First time founders are not aware of mounting needs for change in leadership competencies as the business change and grow, whereas repeat founders are, and attempt to take appropriate measures.

While not all first-time founders fail with their venture, it should be noted that there is a difference between a start-up succeeding through to its scale-up state and beyond, and a founder succeeding with that venture. Similarly, having prior start-up experience is no guarantee for a repeat entrepreneur to reach success with a new venture. What may be a key differentiator between the first-time founder and repeat founder is he awareness of changing leadership competencies needs.

Repeat founders have in this study, through the participants, been found to not only recognise need for change, but also be prepared to take the appropriate measures to satisfy that need. These measures not only include knowledge acquisition and expanding the leadership team with additional competencies but also, as suggested by study participants, stepping aside as the leader of the business and bring in new executives to take over the charge, to serve the best interest of their company.

The literature quite consistently suggests differently. As per the notes in the previous key finding, the literature proposes that the entrepreneur equip themselves with the required competencies themselves. There is a point of view from Cunningham and Lischeron (1991) in their attempt to define the entrepreneur, whereby the founder is

portrayed beyond the scope of a business leader. Cunningham and Lischeron (1991) portrays the entrepreneur as a visionary, an innovative, value creating, and dynamic individual who is prepared to take risks and with a need for achievement. Dabić *et al.* (2021) echo Cunningham and Lischeron (1991) in their discussion of how the entrepreneur lead through a volatile and unpredictable world, with Ranjan (2018) adding intuition to the entrepreneur's repertoire of traits, more so than competencies. The entrepreneur could be seen almost as a mythical figure, considering the attributes assigned to them.

The scholarly view of the entrepreneur reflected above may explain the attempts of Gupta *et al.* (2020) and Kassai (2022) as well as Spanjer and Van Witteloostuijn (2017) to assign the vast number of leadership competencies onto the one individual, the entrepreneur. While the study participants suggest otherwise; the entrepreneur may well have the idea for a new business, the vision, the drive, the need to achieve. However, this is not synonymous with possessing the leadership competencies and the ability to bring a start-up through to its scale-up state, with the needed changes in leadership competencies to achieve that sustainable growth. As suggested by study participants, the repeat entrepreneur both recognises the need for change, and has the awareness to address that need, where their own competencies are not sufficient.

There may be an opportunity to add to the research on who the entrepreneur is, and where founder traits cross over to leadership competencies.

6.2.4 Key Finding 4

Founders who remain unaware of needs for change in leadership competencies and the ability to execute their role accordingly during firm growth, will have change executed for them by external forces, such as venture capital investors.

While there is little support in the literature on this particular finding, the researcher found it noteworthy, as it may have a cascading effect on the other key findings and change the trajectory and chances of success for, in particular, the first-time entrepreneur, if taken into consideration.

The common understanding of what an entrepreneur needs, e.g., the right people, funds, and the ability to articulate the vision of their venture, clearly encompass several leadership competencies, while not expressly stated. It also involves changing leadership competencies as the business grows and changes. The first-time founder understanding this will have no guarantees their venture will succeed, while it may have an immediate impact on whether the entrepreneur will survive within their venture, as failure to recognise change in competency needs may have a radical impact on the entrepreneur, or as expressed by one study participant "...it's just going to happen to you" when either the board of directors or major shareholders enforce changes in leadership, and ultimately the change in leadership competencies as they determine required.

The first-time founder's critical awareness of their internal and external environment is seemingly a relatively unexplored subject in the literature, and there may be room to explore this area further with research to better understand what drives the first-time entrepreneur's obviousness to fundamental leadership needs, and whether there are inflection points to change the trajectory.

6.2.6 Key Finding 5

Founders consider learnings from past experiences the most important asset to equip themselves with, to sustain their roles after a major growth event.

Nikolić *et al.* (2019) discuss start-up failure from a dual perspective – failure caused by internal factors and failures caused by external factors. The internal factors are centred around who is in the start-up team, what are their motivations, why are they there, are they absorbing the vision from the entrepreneur. On the external side parallels can be drawn to Yusendra *et al.* (2020) with considerations of how unique the entrepreneur's idea is, and whether the founder is a leader or a follower of an already established market leader. While Yusendra *et al.* (2020) and Grönroos (2006) discuss this disconnect concerning what the start-up is, it poses the question which entrepreneur is being referred to – the first-time entrepreneur who has yet to learn from the experience that is in progress, or the repeat entrepreneur who has experienced the start-up journey in the past and learned from that experience.

Throughout the available literature there seems to be little regard for learning from prior experiences in entrepreneurship, as discussed by Spanjer and Van Witteloostuijn (2017). Adding to this sentiment, considerations as to what entrepreneurial leadership means, where both Clark *et al.* (2019) and Swiercz and Lydon (2002), recognises the challenge in defining the meaning, increases the complexity in establishing what the entrepreneur is and what entrepreneurial leadership is. However, with the conceptual framework from Clark *et al.* (2019) and the competency study and subsequent competency mapping by Kassai (2022) and the trait research by Dabić *et al.* (2021) and their peers, a picture of the entrepreneur and their world can take shape.

One might propose a challenge to that picture, in that the entrepreneur may not possess all the suggested competencies, or exhibit all the suggested traits, or deliver successful growth on their initial attempt as a first-time founder. The participants of this study, all having met the criteria of either successfully or unsuccessfully, as founders, been instrumental in their firm's growth journey from start-up through to a state of scale-up, substantiate that challenge. There is consensus among the participants, where they as repeat entrepreneurs, agree with the suggested importance of prior learning. By coincidence or by natural circumstance, all participants were repeat entrepreneurs in successful scale-ups. The participants unanimously referred to prior experiences as the foundation to awareness of leadership competency needs, the ability to assess change in leadership competency needs, deployment of resources to satisfy gaps in leadership competencies.

The empirical findings concerning learning from past experiences may suggest an opportunity to add to the literature by studying the effect of repeating entrepreneurial efforts, possibly in longitudinal studies where entrepreneurs are observed as first-time founders and subsequently repeat founders.

6.3 Conclusion

The key findings of the study have been discussed, evaluated, and critiqued against existing literature, with opportunities for future research identified through the

limitations of the research. A conclusion and a set of recommendations will be provided in the next and last chapter of this study.

7. Conclusion and Future Research

Going back to the research question: How do leadership competencies impact a firm's prospects of successfully transitioning from start-up to scale-up?

This study has shown not only that leadership competencies are of utmost importance, but that the awareness thereof is critical. Further, this research demonstrates that the competency awareness is something that founders don't inherently have, or even know to consider in their entrepreneurial efforts. Yet, it is a seemingly critical component of the successful start-up. The empirical findings show that this awareness develops first with the entrepreneur in their subsequent ventures. This is not to suggest that start-ups fail solely due to lack of entrepreneurial leadership competencies. It may, however, be worthwhile considering what volume of the 75% start-up failures in Ireland are due to the lack of awareness and application of appropriate competencies. There is also the question of what can be done to increase awareness in first time founders. One consideration is for research to continue to evolve in this field, and eventually find its way into industries.

The literature suggests that in terms of entrepreneurial leadership competencies specifically, current research is not sufficiently evolved. This opens the doors to a wide range of additional research and new learnings, some of which is proposed in this study. There is a parallel opportunity with this, which is to approach the subject of how the current literature seemingly contradicts empirical learnings from this qualitative research and possibly other qualitative and empirical studies and findings. Prior knowledge and experience have in this study been found to be key to succeeding as an entrepreneur, whereas current literature either dismisses that finding or doesn't consider it at all. It seems possible that the weight of prior experiences in entrepreneurship is not adequately understood in current research on entrepreneurial leadership competencies. This is yet another opportunity in consideration of future studies.

7.1 Scope for Future Research

Research into entrepreneurial leadership competencies is in its infancy. This study has developed some strands of thought to possible future research in this area, as discussed in the previous chapter. While acknowledging the limitations of the study, it seems evident that the empirical learnings through the qualitative research uncovered not only answers to the research question, but also opportunities for future studies. These opportunities can be summarised as:

1. There are differences in terms of experience, leadership competencies, and awareness thereof between first time founders and repeat entrepreneurs. The current literature does not discuss entrepreneurial leadership competencies from both positions, or what factors play a role in the start-up's success and failure, contrasting the two, which may be an opportunity for future research.
2. The current entrepreneurial leadership competency literature is focused on what skills, traits, behaviours, and competencies the entrepreneur needs to successfully manage the start-up, while there is still little consensus on what they are or should be. The literature does not discuss what skills, traits, behaviours, and competencies the entrepreneurial effort needs as a unit, what the start-up needs, and what roles are required to satisfy the changing needs of skills, traits, behaviours, and leadership competencies. There may be scope for future research in this area.
3. There is an opportunity for longitudinal research, studying founders in their first entrepreneurial effort, and repeating the same study in their subsequent start-ups, to gain a better understanding of learnings experienced versus learnings made, application of leadership competencies and the distribution thereof, and differences in entrepreneurial traits and behaviours, to uncover a better understanding of their differences.

The researcher anticipates further studies in the future in the entrepreneurship and entrepreneurial leadership competency field.

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Appendix 1 – Invitation Letter

I would like to invite you to take part in a research study. Before you decide you need to understand why the research is being done and what it would involve for you. Please take time to read the following information carefully. Ask questions if anything you read is not clear or if you would like more information. Take time to decide whether to take part.

Who am I and what is this study about

I am a part-time MSc in Management student at the National College of Ireland (NCI), Dublin, and I'm doing this study as part of completing my master's degree. The overall aim of the study is to explore leadership competencies amongst leaders before and after a firm's transition from start-up to scale-up, to uncover whether the competencies and their practitioners contributing to the firm's success as a start-up are suitable through to its scale-up state, or whether change in competencies and leadership is needed for continued success as the firm changes.

What will taking part involve?

Taking part in this study involves a 45-90-minute in-person, semi-structured interview centred around your leadership competencies, how you develop, nurture, and apply them, how they have helped you and your organisation achieve sustainable growth, and how your application of leadership competencies may have changed while growing your organisation from start-up to scale-up. I will visit your offices for the in-person interview. There may be a short follow-up phone call in the event clarification is needed on any topic discussed. The interview will be audio-recorded, while participation is confidential and anonymous.

Why have you been invited to take part?

I have identified you as a good match for this study as you have significantly contributed to your organisation's growth from start-up to scale-up, if not driving the growth, you are in a senior leadership and decision-making position, and it would seem your leadership competencies and the application thereof have been instrumental in your organisation's growth.

Do you have to take part?

Participation is completely voluntary and anyone agreeing to participate has the right to refuse participation, refuse any question and withdraw at any time without any consequence whatsoever.

What are the possible risks and benefits of taking part?

The possible benefits of taking part in the research include insights into how your organisation may benefit from developing and nurturing leadership competencies as the organisation grows, both through self-reflection during or after the interview and through the resulting dissertation. In terms of risk, no possible physical or psychological harm that may come to a participant because of participating in the research has been identified. In the event I have a strong belief that there is a serious risk of harm or danger to either you or another individual, or if you inform me that you or someone else is at risk of harm, then I may have to report this to the relevant authorities, while possibly discussing the matter with you first.

Will taking part be confidential?

During the research, you as a participant will be assigned a unique and random 8-digit key, which will be used in place of your name and organisation, to protect your identity throughout the study. Any report on the results of this research will as such remain anonymous. Equally, any extracts from the interview that may be quoted in a resulting dissertation will be disguised. Participation will as such be anonymous and taking part will be confidential. However, a situation may arise where confidentiality may have to be broken, which would be if I have a strong belief that there is a serious risk of harm or danger to either you or another individual (e.g., physical, emotional, or sexual abuse, concerns for child protection, rape, self-harm, suicidal intent, or criminal activity) or if a serious crime has been committed. As further described below, non-anonymised data in the form of the signed consent form and audio recordings are collected and retained as part of the research process, while the data will be destroyed after my degree has been conferred.

How will information you provide be recorded, stored, and protected?

Signed consent forms and original audio recordings will be retained in the Irish region of Amazon AWS, in an S3 bucket (e.g., container for objects) until after my degree has been conferred. All data will be encrypted at rest and during transfer. The S3 bucket will be private and not publicly available. I am the only one who will have access to the research data. A transcript of interviews in which all identifying information has been removed will be retained for a further two years after this. Under freedom of information legalisation, you are entitled to access the information you have provided at any time.

What will happen to the results of the study?

The plans for the research consist only in submitting the dissertation. No conference, publication, teaching use, or otherwise is planned.

Who should you contact for further information?

Further information can be obtained by the researcher and his supervisor:

Researcher:

Name: Johan Fredrik Reveillard

Email: [redacted]

Mobile: [redacted]

Supervisor:

Name: Victor Del Rosal

Email: [redacted]

Phone: [redacted]

Thank you,

Johan Fredrik Reveillard

Appendix 2 – Consent Form

Consent to take part in research

- I _____ voluntarily agree to participate in this research study.
- I understand that even if I agree to participate now, I can withdraw at any time or refuse to answer any question without any consequences of any kind.
- I understand that I can withdraw permission to use data from my interview within two weeks after the interview, in which case the material will be deleted.
- I have had the purpose and nature of the study explained to me in writing and I have had the opportunity to ask questions about the study.
- I understand that participation involves an in-person interview with the researcher, discussing leadership competencies and their application in our organisation, conducted in a semi-structured format, and will require a time commitment of between 90 and 120 minutes.
- I understand that I will not benefit directly from participating in this research.
- I agree to my interview being audio-recorded.
- I understand that all information I provide for this study will be treated confidentially.
- I understand that in any report on the results of this research my identity will remain anonymous. This will be done by changing my name and disguising any details of my interview which may reveal my identity or the identity of people I speak about.
- I understand that disguised extracts from my interview may be quoted in a resulting dissertation and possibly conference presentations, while there are no plans for the latter.
- I understand that if I inform the researcher that myself or someone else is at risk of harm, they may have to report this to the relevant authorities - they will

discuss this with me first but may be required to report with or without my permission.

- I understand that the signed consent form and original audio recordings will be retained in a private, encrypted and password protected Amazon AWS S3 object storage until the exam board has confirmed the results of the dissertation, which only the researcher has access to.
- I understand that a transcript of my interview in which all identifying information has been removed will be retained for 2 years from the date the exam board has confirmed the results of the dissertation.
- I understand that under freedom of information legalisation I am entitled to access the information I have provided at any time while it is in storage as specified above.
- I understand that I am free to contact any of the people involved in the research to seek further clarification and information.

Signature of participant

Date

I believe the participant is giving informed consent to participate in this study

Signature of researcher

Date

Appendix 3 – Semi-Structured Interview questions

Research Question

How do leadership competencies impact a firm's prospects of successfully transitioning from start-up to scale-up?

Interview questions set 1 – The firm in its early stages:

- In the early days of the venture, to what extent did you consider leadership competencies as a part of your "toolkit" to help build the business?
- Did you deliberately use any leadership theories to manage certain aspects of the business? If so, how? If not, why?
- Could you at the time identify specific leadership competencies that seemed to be important to the business?

Interview questions set 2 – The firm during the growth stage:

- As the business started to grow and scale up, did you observe a need for change regarding leadership competencies? If so, how? If not, why?
- Did you at the time identify leadership competencies that directly contributed to the successful growth, or competencies missing, leading to the opposite?
- How often did you reflect on the leadership competencies needed in the business? If so, would these reflections result in actions? If not, why?
- Did the founder/co-founder/business lead team discuss leadership competencies and its application to drive the business?

Interview questions set 3 – Retrospective reflection:

- Retrospectively, in 20/20 hindsight, can you describe what leadership competencies were or would've been critical throughout the company's growth?
- How important would you say that leadership competencies are, among all other competencies, when considering a firm's potential to successfully grow beyond the start-up stage?
- Do you believe founders and early business leaders can equip themselves with the necessary leadership competencies to sustain their roles after major growth events, such as an IPO? If so, how? If not, why?