The Full-Range Leadership
Enacted by Swedish Audit Team managers
Summary

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Background: The background of this study mainly relies on Leadership theories, more precisely theories about the Full-Range leadership model (FRL) and its features. However, key facts about the audit are also displayed in this part of the report to present it to readers.

Purpose: The main purpose of this paper is to add to existing theory on the universalistic feature of the Full-Range Leadership model through the case of Swedish audit team managers. Such purpose entails the definition and the explanation on how the model of Full-Range Leadership is enacted by Swedish audit team managers in their day-to-day practice of leadership.

Originality/Value: This research paper is one of the few researches at puzzling out existing researches to contribute clearly to the Full-Range Leadership model -as developed by Bass and Avolio- in the audit context. Furthermore, this is the first study aiming at defining and explaining Swedish audit team managers’ leadership practice and emphasizing the non-managing audit staff for so.

Practical implication: After the destruction of a great amount of money resulting from corporate financial scandals and the discovery of high level of dysfunctional behaviors occurring in the audit/accounting profession worldwide, growing number of studies investigated further financial systems and particularly audit professionals since they are supposed to be the ‘public watchdog’/‘public guardian of trust’ of worldwide markets and Economies and so, display strong values and rigor. In parallel, considerable number of studies demonstrated that leadership was the key to those issues. This study while putting the light on leadership practice in Swedish audit firms, wide opens the door for further reflections and improvement of the existing systems.

Method: The featured piece of research is based on a field survey of the non-managing audit staff working in Swedish audit firms, which were asked to assess their managers through the use of the Multi-factor questionnaire X5 (short version).

Findings: The study unveiled that even if the transformational leadership was the most enacted leadership by Swedish audit team managers and that so before transactional and passive/avoidant leadership, a great misalignment existed between the found-out empirical FRL model and the FRL model as defined theoretically. Accordingly, this study unveiled that the FRL model was not as universal as claimed when investigated in the Swedish audit firm context.

Keywords: Transformational Leadership model, leadership practice, the Full-Range Leadership, laissez-faire leadership style, transactional leadership style, Swedish audit firms, transformational leadership style, global leadership model, leadership, Swedish audit team managers
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Växjö, May 8th 2015.

Song

Pantaléon
List of abbreviations used in this thesis:

1. **POSDCoRB**: Planning, Organizing, Staffing, Directing, Coordinating, Reporting and Budgeting
2. **FRL**: Full-Range Leadership
3. **ACCA**: Association of Chartered Certified Accountants
4. **IFAC**: International Federation of Accountants
5. **GDP**: Gross Domestic Product
6. **ECOA Foundation**: Ethics & Compliance Officer Association
7. **ERC**: Ethics Research Center
8. **FAR**: Föreningen Auktoriserade Revisorer
9. **ILT**: The Implicit Leadership Theory
10. **SPSS**: Statistical Package for the Social Sciences
11. **PCAOB**: Public Company Accounting Oversight Board
12. **SEC**: (U.S.) Securities and Exchange Commission
13. **WSWS**: World Socialist Web Site
14. **ICAC**: Independent Commission Against Corruption
15. **MLQ X5**: Multi-Factor Leadership Questionnaire, 5th short version
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1 Introduction

1.1 Background

Leadership paradigm is one of the most aged in the management field. Indeed, it could be dated back to the Antiquity referring to its first definitions by Sun Tzu, Plato, Socrates and Machiavelli (Gill 2010, pp. 1-2; p. 12; Hytter 2014). Though, more than hundred papers about Leadership are still published everyday (ibid). In reality, Leadership is present everywhere at every time in our life, which sets it at great importance (ibid).

Despite this, finding a unique and perfect definition of Leadership is nearly impossible (ibid). When considering Leadership in a business context, it is important to specify that Leadership is often confused with Management (ibid). According to Statt (1999, p. 98) Management as a process is the running of an organization and so, of every resource owned by it, machinery, financial and human included. The aim of Management as a process is to pilot and then, optimize performance of the organization (Styrhe et Al. 2013, p. 17). Though, considering management as an activity or the work done by managers theoretically only includes ‘POSDCoRB’ (Styrhe et Al. 2013, p. 18; Gill 2010, p. 26; Watson 1997). ‘POSDCoRB’ refers to the course action of planning, organizing, staffing, directing, coordinating, reporting and budgeting (Styrhe et Al. 2013, p. 18; Gill 2010, p. 26; Watson 1997). In other terms, management as an activity is a rational and technical process, which is closer to a Science rather than an Art (Gill 2010, p. 26). On the contrary of leadership as an activity which is the Art of influencing subordinates and persuades them in order to achieve a goal (Gill 2010, p. 26)(Barnard 1938). Consequently, the activity of leadership calls upon the notion of vision, mission, values and power (Gill 2010, p. 26). However, effective leadership is required for effective management of the organization (ibid). Accordingly, Management and Leadership are bounded paradigms that ‘go hand in hand’ (Sharma et Al. 2013, p. 309; Gill 2010).

Those paradigms are so much bounded together than most remarks and even criticisms applied to the Management field might also concern the Leadership field. For instance, the Management field is often said to be led by Anglo-Saxon models and theories (Whittington 2001; Bell & Thorpe 2013, p. 115; Gantman et Al. 2015), which is also
true for Leadership field (Den Hartog 1999, p. 227). In fact, Anglo-Saxon models are worldwide spread and some of them are even used everywhere (ibid) (Bass 1997). Among the plethora of worldwide-known-and-used Anglo-Saxon leadership concepts, we distinguish one called: ‘The Transformational Leadership’ (Bass 1997; Den Hartog 1999, pp. 227-228).

The Transformational Leadership paradigm was first introduced in 1960 by the British political scientist James Macgregor Burns (Statt 1999, p. 177). Today, the Transformational Leadership paradigm gathers one of the greatest amounts of researches in the Leadership field (Hytter 2015). In fact, several models were developed to define it and to make it practically operational (Gill 2010, pp. 52-56). However, the most popular and acknowledged model among other Transformational Leadership models in the research community remains the Full-Range Leadership model (FRL) developed by Bass and Avolio (Barnes 2013, p. 1567; Bass 1985; 1990a,b; Bass and Avolio 1994 cited in Gill 2010, p. 51). Referring to Bass’ and Avolio’s works (Cited in Gill 2010, pp. 50; pp. 52-53), the Full-Range Leadership is an approach of leaderships which aims at influencing and stimulating subordinates in the sense of raising their motivation and their sense of higher purpose to make their performance optimal while adopting participative, transactional and delegative leadership styles (ibid). As a result, the practice of this model impacts the employees’ performance in terms of volume of work done and quality but also the profitability of the organization (ibid). Another fact that could explain the popularity of the transformational model among organizations is that the Full-Range Leadership asks for strong values like integrity, which are very looked forward in our contemporary world of business (ibid). Referring to all those features, Full-Range Leadership even after twenty years prior its apparition appears to be an attractive and interesting subject to look on and contribute to. Though in order to make our contribution relevant, we chose to study the Full-Range Leadership in a field where leadership paradigm -more precisely the Full-Range Leadership- is at the moment under-studied (Barnes 2013, p. 1569; Morris 2014, p. 1; pp. 2-3; Otley 1995, p. 406). And, for making our contribution even more relevant and interesting, we picked up a field, which is as itself relevant in today Economy: Audit.

In fact, in today economy where market competition is acute and where trust is hard to build, audit occupies a central place (cf. Harris 2014) (Stuart 2012, pp. 1-20;
Audit refers to “the process of verifying the accounting records of an organization to see whether they contain a true, fair and accurate account of business transacted” (Statt 1999, p. 11; Harris 2014; Stuart 2012, pp. 1-20; TrueandFair.org.uk 2012; Deloitte 2015; Herda et Al. 2014, p. 820-1). However in practice, auditors often provide organizational value-added services while attaching comments on the management, general business issues, taxation issues and, accounting and internal control to the audit report (Stuart 2012, pp. 1-20; TrueandFair.org.uk 2012; Herda et Al. 2014, p. 820-1). According to Herda and Lavelle 2013; Manson et al. 2001; Metzler 2005; Fontaine and Pilote 2011,2012; Fontaine et al. 2013; ACCA 2010 (Cited in Herda et Al. 2014, p. 820-1), those audit reviews -observations and recommendations- are seen as very valuable to investors, creditors and regulators since it does not only help at monitoring the organization effectiveness, it also helps at improving it (Stuart 2012, pp. 1-20; TrueandFair.org.uk 2012). The latter point is also emphasized by the fact that an audit stimulates shareholder (investors; creditors) investment while insuring them on the reliability of the bid they are about to make (Stuart 2012, pp. 1-20; TrueandFair.org.uk 2012). Indeed, the financial crisis of 2008 and the corporate governance scandals (ibid) (e.g., Enron; other scandals in “Appendix C”) contributed at discouraging creditors and investors funding in organizations (ibid) while at the same time resulting in huge financial losses (cf. Coulter 2010, p. 17; Enron: loss of billions dollars in shareholder value, Kustinah 2013; The Economist 2002). However nowadays, more and more financial funds are asked by organizations in order to keep their competitive advantage on the market and to spread the organization worldwide (Coulter 2010).

Though, audit while spreading objective trustworthy financial information report also facilitate mergers and acquisitions in a worldwide span since its norms are getting standardized (Armstrong et Al. 2010; Daske et Al. 2008). The standardization of audit and accounting norms, in addition to request amendments in every national legal text (Europa.eu 2015; Diamant 2000; Ifac, 2015), urged the corporate investment in control systems and audit services worldwide (De George et Al. 2013; Daske et Al. 2008)(cf. Swedish example, Hellman 2011). According to macroeconomic principles, such investments impact organizations resources and profit worldwide and so, country Economies (GDP), which itself impacts countries growth rate (ibid)(Ireland 2010). However, as market regulators to reassess bounds in the capital market use Audit
reports, we acknowledge that audit also matters at the societal level since it directly impacts household investing their saving in the capital market (Stuart 2012, pp. 1-20; TrueandFair.org.uk 2012). It is important to remind that the Enron scandal, itself, wiped out life savings of a significant number of people because of drastic stock market decline (Paulsen 2002; BBC news 2002a;b). Furthermore as most financial corporate scandals ended up in involved companies bankrupt (or company restructuring), severe employee lay-offs occurred (Graham et Al. 2002; Paulsen 2002)(cf. “Appendix C”).

1.2 Problem discussion

In 1981, Pratt & Jiambalvo carried out a study aiming at uncovering potential relationships between audit team performance and leaders behavior. The outcome of this study displayed that factors such as the empowerment and support, openness, trust, respect and consideration, encouraging innovation and the participation at challenging task, delegation, task structuring and providing regular feedback were positively correlated with audit staff performance, satisfaction and motivation (pp. 134-138). Paradoxically, a number of studies highlighted a disturbingly high level of dysfunctional behavior in the audit profession (Kustinah 2013, pp. 118-120; Svanberg and Öhman 2013; Kelley and Margheim 1990, p. 23; pp. 24-25; Otley and Pierce 1995, pp. 411-412). In the audit profession, the most acknowledged dysfunctional behaviors are the premature sign-off of financial statements with no or nearly no reviews of the statements; the under-reporting of time spent by audit staff in a mission and the over-reporting of time spent on a mission by audit staff; the refusal to report potential frauds and the sign-off of questionable corporate documents while accepting weak (vague) client explanations (Kustinah 2013, pp. 118-120; Svanberg and Öhman 2013; Kelley and Margheim 1990, p. 23; pp. 24-25; Otley and Pierce 1995, pp. 411-412). Considering the importance of audit, such behaviors have a dramatic impact on audit quality and it can lead to serious consequences (ibid). In a 1990 research, Kelley and Margheim correlated those dysfunctional behaviors with leaders’ personality and leadership and time budget pressure, which latter is common to the profession (Kelley and Margheim 1990, p. 40). In fact, audit quality reduction acts are less likely to occur when leaders entailed both a high level of consideration and structure on tasks (Kelley and Margheim 1990, p. 40; Otley and Pierce 1995, pp. 408-409). However, their findings also unveiled that higher the structure of task is, higher acts of underreporting
of time occur, which in the long run may bring undesirable behaviors such as the premature sign-off of documents (Kelley and Margheim 1990, p. 40; Otley and Pierce 1995, pp. 408-409). Consequently, a well-balanced leadership style seems to be the only remedy against dysfunctional behaviors (Kelley and Margheim 1990, p. 40; Otley and Pierce 1995, pp. 408-409).

After the increasing pace of occurring corporate scandals worldwide -Enron, Worldcom, Tyco, Xerox (cf. “Appendix C” for more scandals) -, a growing number of study has attempted to determine the perfect recipe for this ‘antidote’ (Yukl et Al. 2010, p. 38; Morris 2014, p. 2; Treviño and Brown 2004; Brown and Treviño 2006, p. 595; Kustinah 2013, p. 118; Coulter 2010, p. 17) to prevent further corporate scandals but also, the implication of audit firms –and other control systems- in those scandals and the dysfunctional behaviors and audit quality reduction acts, which continue to occur in the audit profession (Otley and Pierce 1996; Donnelly et Al. 2011; Svanberg and Öhman 2013, p. 579). Indeed, Enron scandal implied the destruction of a significant number of documents related to Enron audit by officials from the audit firm Arthur Andersen (Kustinah 2013; The Economist 2002) and resulted in the destruction of billions dollars in shareholder value (Coulter 2010, p. 17).

In their literature review of different leadership models, Brown and Treviño (2006, p. 595) set back the Enron scandal as an issue on Ethics and purposed a new model of leadership as remedy: The Ethical Leadership. According to Treviño et Al. researches (2000; 2003, cited in Brown and Treviño 2006, pp. 596-597), the Ethical Leadership is a leadership based on strong moral and values such as integrity; fairness; honesty, strong ethical guidance and high level of consideration towards employees (altruism). Furthermore, Ethical leaders are principled decision-makers, which communicate ethical and moral values by role modeling ethical behavior but also using the rewards system (rewards and discipline/punishment) for holding subordinates’ ethical conduct (ibid). As a result, they are on a transactional approach of leadership (ibid, pp597-598). Brown et Al. (2005 cited in Brown and Treviño 2006, p. 597) extended Treviño et Al.’s 2000; 2003 studies and concluded that Ethical Leadership was empirically very similar to the Transformational Leadership (model) by its features and its outcomes: leader consideration, interactional fairness, leader honesty and idealized influence features,
perceived leaders effectiveness, subordinates’ willingness to do extra effort and work, subordinate’s satisfaction and willingness to report issues to higher hierarchy.

In 2014, the researcher Jan Taylor Morris extended the line of those studies to the importance of an ethical culture and purposed another leadership model which is itself close to the ethical leadership model (cf. Brown and Treviño 2006, pp. 598-599): the Authentic Leadership. The Authentic Leadership is defined by authors as “a pattern of leader behaviors that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development.” (Walumbwa et Al. 2008, p. 94 cited in Morris 2014, p. 3), whereas the ethical culture is defined as an effective/ ‘positive’ culture based on moral, principles and individual concerns (ECOA.org and ERC 2009, pp. 6-7; pp. 10-17). The outcome of such culture are strong membership within a team, increase of the quality and of the volume of work done, high level of commitment, motivation and satisfaction, synergy of knowledge (ibid). However, an ethical culture is only achievable via a compatible leadership e.g. Ethical Leadership (ibid)(Bass and Avolio 1993,p. 113).

Puzzling out each of those previous lectures on effective and efficient leaderships in audit teams drives us back to a single leadership paradigm (cf. paradigm definition from “background” and “Theoretical framework”; Brown et Al. 2005 cited in Brown and Treviño 2006, p. 597): The Full-Range Leadership model. In fact, this model is the one that ticks out the most leadership characteristics stated above and which overlaps by its outcomes the notion of ethical culture (cf. “background” and “Theoretical framework”). However, referring to Barnes’ work (2013) on the relations between the different dimensions of the Full-Range Leadership model (FRL) -transformational; transactional and laissez-faire- and subordinates’ perception of workplace efficiency, effectiveness and satisfaction in the certified public accounting firms in Utah, literature linking audit/accounting and the FRL model are sparse and fragmented but it needs to be investigated for practical reasons (Barnes 2013, p. 1569). This paper as itself is to some extent a response to Barnes’ call in a Swedish context.

In addition to bring a contribution to the field, Barnes’ study (2013) strengthened well-debated claims on the global/universalistic feature of the Transformational Leadership
model (FRL) (Bass 1997) while finding evidences on the relationships with each dimension of the FRL model (Barnes 2013, p. 1567; p. 1575). Global means that Transformational Leadership model (FRL) is common at every organization in any country independently of their activity and of the sector they belong to (Bass 1997, p. 132). However, a wide range of critical researches (e.g., House et Al. 1999; Den Hartog 1999), displayed that in reality the Transformational Leadership model (FRL) is ‘overall’ global since depending on the national culture and customs (Leong and Fisher 2010; House et Al. 1999) and even the level of the management (Den Hartog 1999), multiple translations of the model occur. In other terms, it depends on how individuals make sense of it according to their personal characteristics and cultural background (cf. “the implicit leadership theory”). More, as stated earlier most management and leadership theories were developed and tested in Anglo-Saxon countries more precisely in the U.S. and so, those theories contains American idiosyncrasies which are not necessary shared with the rest of the world (Den Hartog 1999, pp. 227-228). For instance, one of those idiosyncrasies involves emphasizing on one’s goals, being the best (hedonistic motivation) despite of others and not caring for them (caring for others: altruistic motivation) and according to Hofstede (2015), Sweden is not for lifting oneself above others and being the best but rather enjoying what ones do and caring for others. Accordingly, we are wondering how the Full-Range Leadership is displayed in Sweden in the context of audit firms, as this has not been studied earlier.

Our other reasons for carrying out this inquiry in Sweden relies on the following: First, according to Hofstede center (2015): ‘Swedish take the edge that there should be no more rules than necessarily and rules that are ambiguous or do not work, should be changed or abandoned’. Accordingly referring to researches on other fields, we acknowledged that Sweden is inclined to translations of US business models when they are seen as partially true or not compatible e.g. Scandinavian management model, societal entrepreneurship paradigm (Lundin 1995; Cicmil 2006); amendments over International Accounting/Audit norms to make them fit with local systems (Ifac 2015; Revisorsnämnden 2015d; Diamant 2000). Then, referring to a study of 2013 by Svanberg and Öhman on the impact of ethical culture and environment on audit dysfunctional behaviors and audit quality reduction acts in Sweden, Sweden is concerned by audit reduction acts (cf. descriptive tab in Svanberg and Öhman 2013, p. 579). And considering the fact that previous researches proved the impact of leadership
on culture (e.g., Watson 1997; Styrhe et al. 2013; Hayes 2007; Otley and Pierce 1995), performance (e.g., Barnes 2013; Styrhe et al. 2013; Gill 2010; Hayes 2007; Otley and Pierce 1995), audit dysfunctional behaviors and audit quality reduction acts (e.g., Svanberg and Öhman 2013; Kelley and Margheim 1990) our study of leadership behaviors in Swedish audit firms might be relevant for the practical world for better understanding the underlying reasons of Svanberg and Öhman’s study outcomes (2013) and for eventual improvement of systems and performance through leadership practice.

1.3 Purpose

The core purpose of this paper is to explain how the Full-Range Leadership model (FRL) is enacted by Swedish audit team managers. This purpose is done in order to enrich existing literature on the universalistic feature of the FRL model through the case of Swedish audit team managers. Indeed, the latter is the final goal of this thesis.

1.4 Limitations and Delimitations of the study

As “purpose” might suggest, the inquiry is limited to the study of the case of Swedish audit team managers within Swedish audit firms. As a result, only auditing staff was taken into consideration for meeting goals of our purpose. Such decision relied on the fact that most audit firms’ managers are themselves involved in auditing activity (Far.se 2013). Consequently, the audit staffs are the most concerned about manager’s day-to-day practice of leadership in comparison to supporting staffs since auditing is not an activity involving a lot time at its own headquarter (Startheregoplaces.com 2015; Chantrey Vellacott DFK 2015; University of Utah 2012; wetfeet.com 2012; Accountingweb.com 2008; Targetjobs.co.uk unknown date). Indeed, auditors spend more than 70% of their time in clients’ headquarters (ibid). Plus, time constraint led us to only assess audit team managers’ leadership profile through the non-managing audit team staff’s eyes and no re-test of the results was done. However, considering the non-managers’ opinions might limit biases from our research featuring the “what is” rather than the “what should be” that could have resulted from interviewing leaders and managers (Hyttter 2015). Time constraint also led us to limit this study to a single leadership model -The Full-Range Leadership model (FRL)- and so, the leadership assessment was only according to the Full-Range Leadership (FRL) model, even if we acknowledge that this is not the only leadership model available and interesting to study. More, time constraint coupled with our limited mobility across the world did not
permit us to be out the Swedish context and so, generalize our statement in a worldwide
span. However such issues also applied to the Swedish context since time constraint and
our limited mobility across Sweden did not allow us to investigate the case further and
so, to imply various methods of research e.g. qualitative interviews. Other limitations
of our study entailed the number of employees willing to answer our questionnaire, the
normative feature of leadership assessment tests and our low chances at figuring out the
causality of our result because of our chosen research design (cf. Bryman and Bell
2011, pp. 53-54; p. 346): cross-sectional (survey research). Consequently, this report
would not entail consistent causal explanations of the phenomenon such as the
determination of whether variable(s) cause(s) (an)other variable(s) (cf. Ibid, p. 346).

1.5 Research Question

How do Swedish Audit team managers enact the Full-Range Leadership model in their
day-to-day practice of leadership according to the non-managing audit staff?

2 Methodology

2.1 Philosophy of the research

2.1.1 Ontological and epistemological positions

According to Bell and Thorpe (2013), epistemology and ontological concepts are
important since they determine who will read the research, which journal will publish it
(pro-positivist or pro-interpretivist), how researcher community will regard it (ibid, p.
56) but also they influence our work, our research findings and ourselves on the way we
see things and make sense of them (ibid, p. 78; p. 86; p. 95).

In their book “Business Research methods” published in 2011, Bryman and Bell defined
the epistemology as an attitude for research of whether it should be conducted as a
scientific research or in the context of social constructs (Bryman and Bell 2011, p. 15)
and the Ontological as a consideration dealing with the question whether there is an
external reality behind social constructs or whether they should be looked at entirely as
something that has been made up by social interaction (ibid, p. 20). According to authors (Bryman and Bell 2011, p. 15-20), there are two different epistemology stances available in Research: the positivist stance and the interpretivist stance. Interpretivists consider management as soft science (Yanow and Schwartz-Shea 2006 cited in Bell and Thorpe 2013, p. 115), situation-specific (e.g. on history, culture) and so, which theories are not generalizable (Bell and Thorpe 2013, p. 11). They believe “people shape their understanding of the world by interacting with one another”-constructionism ontological stance- (Ibid, p. 46). Consequently, natural science (scientific) research methods cannot be used for grasping the subjective meaning of the social world (Bryman and Bell 2011, pp. 15-16). In fact according to interpretivists, management can only be understood from the point of view of the people who are directly involved in, including the managed and the one who manage (Bell and Thorpe 2013, p. 46). On its opposite, positivist assumes that there is reality beyond any interpretation and phenomenon -objectivist ontological stance- and so, the social world is investigable with the use of scientific research method (Bryman and Bell 2011, pp. 15-16; Bell and Thorpe 2013, p. 44). Indeed, positivists think knowledge must be on what might be posited through direct and observable experience (Bell and Thorpe 2013, p. 44). Even more, they think knowledge is senseless unless they are capable to verify it empirically by gathering sense-date (ibid). Positivists assume knowledge has to be value free and objective whereas researcher is neutral agent and that the researcher and the ‘object of study’ are independent entities (ibid). Additionally, the aim of positivist is to generate causal explanations (Bell and Thorpe 2013, p. 44).

Even if we do acknowledge with the fact that social world is investigable through the eyes of humans, we believe there is a constancy or rather a trend in the social world. Consequently in this paper, we discussed an organization as a ‘tangible object’, which ‘adopts standardized procedures’ (cf. Objectivism; Bryman and Bell 2011, p. 21). This decision relied on the prior researches made on the Leadership field such as Bass (1997), who stated the Transformational Leadership model (FRL) is global. Our paper relies on this assumption. More, even if we limited our inquiry in a specific context-audit firms in Sweden- we still aimed at a generalization of our result, at least within this context and so, producing a “law-like” statement (cf. (Bell and Thorpe 2013, p. 9). Nonetheless as stated in “limitations and Delimitations of the study”, causality was not investigated.
Now referring to researches from authors like Bass (1997); Yukl et Al. (2013); Brown and Trevino (2006); Otley and Pierce (1995), leadership and individual behaviors can be assessed thanks to psychometric tests and scientific research methods (Arel et Al. 2012). However, psychometric tests are questionnaires that entail the translation of questionnaire items and responses into numbers for calculating an average score, which later be compared to average score assigned to different profiles, in order to draw conclusions (Stat 1999, p. 136; Tejeda et Al. 2001). Consequently, we are far from the constructionist thinking of research as something that should emphasize words rather than numbers and individual specificities rather than trends and generalities as our research aimed at (cf. Positivist’s focus Bell and Thorpe 2013, p. 56 and pp. 68-71)(Bryman and Bell 2011, p. 250; pp. 231-240; pp. 335-338).

2.1.2 Research paradigm:

In order to better understand the philosophy underneath this paper another concept has to be taken into consideration in addition to the ontological and epistemological stances: the paradigms anchored in the paper (cf. Bryman and Bell 2011, p. 24). Indeed, a paradigm summarizes the assumptions a researcher makes and how he or she is going to analyze his or her findings (Bryman and Bell 2011, p. 24). Out of the four paradigms that are cited in Bryman and Bell’s book (2011, p. 24) the research conducted here can be seen from the perspective of the objectivist, regulatory research paradigm. In fact as said earlier, we believe that there is a reality beyond human interaction. In other terms, “there is an external viewpoint from which it is possible to view the organization, which is comprised of consistently real processes and structures” (ibid, p. 24) and that are real independently of the way we make sense of them (ibid). However, our main concern is regulatory since the purpose of our research was not to make judgments on “what is” but rather to explain it in a certain type of organization (ibid). Though, our concluded paper could be used for improving existing systems in this particular context: Swedish audit firms.

2.1.3 Measures of quality and ethical considerations:

According to Bell and Thorpe (2013, pp. 19-20; pp. 24-35), relevance and legitimacy concepts are two tenants in management research (cf. Bryman and Bell 2011, pp. 399 &
401). In fact, research studies have to correspond to certain standards to be considerate among research community (ibid). In this research we planned to match with those standards as much as possible. To achieve our aim of relevance and legitimacy, our paper targeted at providing correct research formatting (ibid, pp. 111-116). In addition to bring out credibility to us, as authors, and our paper (ibid), this will help others to follow up the research and to understand it as it is properly structured (ibid). Another key fact is that research formatting helps at assessing the research: is it relevant? Legitimated? Properly conducted? Clear? Are argument/material used are appropriate (e.g. bibliography from a literature review, ibid). Formatting is also important to consider regarding growing interest about ethics in Research field (ibid, pp. 116-118; 140; Bell 2013, p. 94). In fact, many case of errors in formatting led to the condemnation of authors’ researches on issues like plagiarism e.g. an university expert (2006) forgot to put quotation marks on a quote he used from someone else in his paper and got accused of plagiarism (Bryman and Bell 2011, pp. 116-118). In our paper, we chose to use the academic Harvard referencing system since it is convention in research community (ibid, p. 111).

Appropriate use of empirical materials was also used to achieve stated quality standards. For instance, literature review part is as much important as the result/findings part (ibid, pp. 91-94 & 103). Indeed, it justifies our research and its relevance (ibid). And so, it needs to be assessed properly before integrating it in a research paper (ibid). On this research study, we assessed every empirical material referring to the relevance and legitimacy of papers and its origins (credibility and authenticity); the clarity of its meaning; its meaningfulness the distinctiveness of its purpose; its accuracy on representation different actors perception of situations and, its linkability with other researches (ibid, pp. 394-401). Another purpose of literature reviews involves helping others to assess the research and oneself as author (Bell 2013, pp. 56-57; Bryman and Bell 2011, pp. 91-94). Indeed, authors are supposed to pick material they feel relevant, analyze and demonstrate their understanding and knowledge about the subject area (ibid). This demonstrates authors’ ability at doing research and its ‘critical eye’ (ibid).

Additionally on the carried study part, we aimed at providing as much details as possible to insure the ‘replicability’ of our study. As a result, our study will be verifiable (cf. replication, Bryman and Bell 2011, pp. 165-167). Nevertheless, some information
was hidden because our research study needed to consider ethics to be legitimate (Bryman and Bell 2011, pp. 122-123). Considering ethics means being responsible on the way we carry out the research (ibid, pp. 128-142) e.g. respect original interpretation/findings from other researchers or even interviewees and include them in our paper as citations/sources (no plagiarism and respecting eventual copyrights); respecting person privacy and confidentiality purposes; not harming or corrupting people to force them at participating to our inquiry; not cheating on people consent at being studied while providing unclear/incomplete information about the research and its purpose and processes and avoiding affiliation and conflict of interest while setting a distance between us and the ‘objects of study’.

Furthermore, we selected a diverse and significant sample of individuals in order to better appreciate reality since greater is the sample, greater is the precision (Bryman and Bell 2011, pp. 187-188). The latter helped us at limiting bias in our research paper, making it more relevant to research community and its practitioners (cf. Bell 2013, pp. 93-94; p. 97) but also, at helping at the generalization (or ‘external validity’) of our findings (cf. Generalization; Bryman and Bell 2011, pp. 163-165). And to make the generalization would be even more relevant, the used sampling method was random (cf. external validity; ibid, p. 56) which by the way insured the reliability of findings.

However in order insure even more reliability, we made use of a questionnaire developed by famous researchers, validated by research community and which, is used worldwide to evaluate managers’ leadership profile. The chosen questionnaire (MLQ) is the questionnaire used for assessing leadership according to the FRL theory and the same researchers -Bass-, which developed the FRL theory, made it. Accordingly, we might fulfill two important criterions: ‘Measurement validity’ or “the right measure tools to measure the right concept” (Bryman and Bell 2011, p. 42; p. 159; cf. face validity: ibid, p. 160) and the ‘internal reliability’ criterion which is about the consistency and the stability of the measures (Bryman and Bell 2011, pp. 157-159). More, we reduced the probability at getting respondents understanding questions differently and at getting a lack of coherence between what we wanted to find out and what measures we used for it (ibid). However, we acknowledge that survey research design impacted the internal validity of the research (Bryman and Bell, p. 56). Indeed, survey research design provides no evidences on the real causality of results (ibid) but it
reflects patterns of association (ibid, p. 54). Consequently, ‘internal validity’ criterion might not be fully fulfilled, as we might not fully fulfill ‘stability of result’ criterion since no retest of the results is done because of time constraint (cf. Stability; Bryman and Bell 2011, p. 157). Though to insure it at the minimum level, each audit team managers’ leadership profile were assessed by several persons in the same team and the same organization (cf. ‘concurrent validity’ criterion; Bryman and Bell 2011, p. 160). The ‘construct validity’ was also intended to be insured since hypotheses were developed after the literature review part and so, hypotheses were tailored according to this part, “purpose”, and research question (Bryman and Bell 2011, pp. 160-161). Then as we said earlier, our paper relied on prior researches similar to ours in order for us to appreciate the trustworthiness of our findings.

2.2 Research strategy:

2.2.1 Deductive quantitative approach of Research

As stated earlier, quantitative researches are researches emphasizing numbers rather than words and are mainly used by positivists since they are appropriate for research aiming at generalization of findings. In fact, quantitative researches while emphasizing numbers, emphasize ‘quantity’ cf. Bryman and Bell (2011, pp. 149-150). However referring to the parts “Epistemological and Ontological position” and “purpose” of this paper, we clearly stated that generalization in the context of Swedish Audit firms was the goal of this research. Accordingly, our approach of research was quantitative because great emphasis was made on the ‘quantity’. The emphasis on quantity was important in our research since one step of our purpose consisted in finding out the trend of leadership displayed in Swedish audit firms.

In most cases, quantitative researches are coupled with a deductive approach (Bryman and Bell 2011, p. 13; p. 150). A deductive approach of research entails that researches are guided by theories (ibid, p. 13). In practice, this involves researchers stating what is known about a subject and its associated theories, from which hypotheses are developed (ibid, p. 13). After data are collected, researchers state their findings, from which they will accept and reject some hypotheses (ibid, p. 13). Then, they will conclude while revising/completing previously used theories and stated knowledge (ibid, p. 13). In fact, it is important to remind that deductive approach is primarily made for the
completion/enrichment/revision of existing theory on the contrary of inductive approach which is primarily made for the creation of new concepts and theories (Bryman and Bell 2011, p. 13; p. 150). Correspondingly, deductive approach was adequate for our paper since our final goal was to contribute to existing theories on the universalistic feature of the Full-Range Leadership in the context of Swedish audit firms (ibid). Plus, it was perfectly in line with our stated measures of quality and epistemological/ontological stance: positivist/ objectivism (cf. Bryman and Bell 2011, p. 13; p. 150).

2.2.2 Cross-sectional research

A research design is an important component in research since it is the basis framework on how data will be collected and interpreted to answer the research question (Bryman and Bell 2011, p. 40). Accordingly, it is directly linked with the purpose of research paper.

Referring back to the purpose of this paper, we wanted to clarify the ‘global’ feature of FRL through the case of Swedish Audit firms while studying the compliance of audit team managers’ day-to-day practice of leadership with the Full-Range Leadership model (FRL). The operationalization of such purpose entailed that we first assessed the audit team managers’ leadership practice in Sweden according to Transformational Leadership model (FRL) through the eyes of the non-managing audit staff before attempting any further. Accordingly, our inquiry implied a level of analysis at the individual stage (Bryman and Bell 2011, p. 67). However underneath the stated purpose and the epistemological stance we took in this paper (positivist), we aimed at the generalization of our findings at least in the Swedish context. Consequently, we needed a research design, which entailed the collection of a great amount of data in more than one case and which, considered variation in the results in order for us to determine a trend since we were looking for patterns of association. The latter reckoned that we needed a research design, which was not influence by the time and so, data collection had to be quasi-simultaneous in every cases. According to prior researches made on the field (e.g., Bass 1997; Yukl et Al. 2013; Brown and Trevino 2006; Otley and Pierce 1995) and Bryman and Bell’s book (2011, p. 53-57), we judged it relevant to use the cross-sectional research design since it was the one, which fitted the most with our
purpose and its operationalization. In fact, it is important to remind that studies implying leadership practice assessment are used to be done thanks to psychometric tests: a survey research based on questionnaire (s) (Barnes 2013; Bass 1997; Den Hartog 1999).

2.3 Research tools:

2.3.1 Multi-Factor Leadership Questionnaire

For the need of our study and still referring to previous researches, we made use of the short version of the Multi-factor leadership questionnaire (MLQ), Form 5X made by Bass and Avolio (cf. Antonakis 2003, p. 261; pp. 165-167) translated in Swedish by a professional. This questionnaire consists in forty-five questions-statements and takes no more than fifteen minutes to fill out (ibid)(Mindgarden 2015). In fact, individuals are charged to tick from a Likert-scale from zero to four, how often each statement applies: zero= “not at all”; 1= “once in a while”; 2= “sometimes”; 3= “fairly often” and; 4= “frequently, if not always”.

The purpose of this questionnaire is to provide a clear measure of the leadership features displayed by leaders according to the Full-Range Leadership (ibid). Consequently, the assessment scales are the following (Mindgarden 2015): Transformational Leadership (‘Idealized Influences (Attributes)’; ‘Idealized influences (Behaviors)’; ‘Inspirational Motivation’; ‘Intellectual Stimulation’; ‘Individualized Consideration’); Transactional Leadership (‘Contingent Rewards’; ‘Active Management-by-Exception’); Passive/Avoidant (‘Passive Management-by-Exception’; ‘Laissez-faire’) and; Outcomes of Leadership (‘Extra Effort’; ‘Effectiveness’; ‘Satisfaction’).

However, the (nine) questions concerning “the outcomes of Leadership” were removed from the sent-out questionnaire because this was not part of the aim of our research (cf. “Purpose”). And traditional questions making up background variables were asked: age; gender; job position; level of education; and size of organization.

<table>
<thead>
<tr>
<th>Table 1: Operationalization (owned by author)</th>
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<tbody>
<tr>
<td>The Full-Range Leadership</td>
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<tr>
<td>Concepts</td>
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</tbody>
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16
| Transformational Leadership | Idealized influences (Attributes) | The ability to build trust within the team by featuring characteristics, which inspire pride and respect among followers (ibid)(Gill 2010, p. 53). | Q10. Instills pride in others for being associated with him/her  
Q18. Goes beyond self-interest for the good of the group  
Q21. Acts in a ways that build others’ respect for him/her  
Q25. Displays a sense of power and confidence |
|-----------------------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transformational Leadership | Idealized influences (Behaviors) | Idealized influences (behaviors) entails strong moral and values-driven behaviors from leaders but also highly-valuated behaviors like dominance, consciousness, self-control, optimism and self-efficiency (D&D consultants grup 2007, p. 5). Leaders displaying idealized behaviors act as role models and | Q6. Talk about his/her most important values and beliefs  
Q14. Specifies the importance of having a strong sense of purpose  
Q23. Considers the moral and ethical consequences of decisions  
Q34. Emphasizes the importance of having a collective sense of mission |
| Transformational Leadership | Inspirational Motivation | Leaders using this mode motivate their subordinates by projecting desirable vision which are aligned with organizational goals and individuals goals, being optimistic, confident and so, stressing ambitious goals (Avolio 2010, p. 61; D&D consultants grup 2007, p. 6; Gill 2010, p. 52). | Q9. Talks optimistically about the future  
Q13. Talks enthusiastically about what needs to be accomplished  
Q26. Articulates a compelling vision of the future  
Q36. Expresses confidence that goals will be achieved |
| Transformational Leadership | Intellectual Stimulation | This is about challenging subordinates to think and act differently while being creative and innovative, challenging the status quo, and actively think and participate to the decision-process e.g. finding solution to problem even the toughest (Avolio 2010, p. 61; D&D consultants grup 2007, p. 6; Gill 2010, p. 52). Such leaders encourage intuition as logic and do not criticize or judge mistakes/failures or ideas different from them. | Q2. Re-examines critical assumptions to question whether they are appropriate  
Q8. Seeks different perspectives when solving problems  
Q30. Gets others to look at problems from many different angles  
Q32. Suggests new ways of looking at how to complete assignments |
| Transformational Leadership | Individualized Consideration | The individualized consideration is about caring about and listening to the subordinates’ needs and feelings (Gill 2010, p. 52). Leaders using this mode are often supportive towards their team, treat each individual uniquely, monitor; coach and provide feedbacks (ibid)(Avolio 2010, p. 62; D&D consultants grup 2007, p. 6). | Q15. Spends time teaching and coaching  
Q19. Treats others as individuals rather than just as a member of a group  
Q29. Considers an individual as having different needs, abilities, and aspirations from others  
Q31. Helps others to develop their strengths |
<table>
<thead>
<tr>
<th>Transactional Leadership</th>
<th>Contingent Rewards</th>
<th>Active Management-by-exception</th>
<th>Passive/ Avoidant Leadership</th>
</tr>
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<tbody>
<tr>
<td>Contingent rewards are feedbacks, financial; material or psychological incentives given by the leader in exchange of its subordinates meet set goals and performance (Gill 2010, p. 51; D&amp;D consultants grup 2007, p. 7)</td>
<td>Q1. Provides others with assistance in exchange for their efforts</td>
<td>According to Gill (2010, p. 51), an active management by exception entails monitoring for preventing eventual errors and deviations and reinforcing rules and procedures (Avolio 2010, p. 64; D&amp;D consultants grup 2007, p. 7).</td>
<td>Q4. Focuses attention on irregularities, mistakes, exceptions, and deviations from standards</td>
</tr>
<tr>
<td>Q11. Discusses in specific terms who is responsible for achieving performance targets</td>
<td>Q16. Makes clear what one can expect to receive when performance goals are achieved</td>
<td>Q2. Concentrates his/her full attention on dealing with mistakes, complaints, and failures</td>
<td>Q22. Concentrates his/her full attention on dealing with mistakes, complaints, and failures</td>
</tr>
<tr>
<td>Q35. Expresses satisfaction when others meet expectations</td>
<td>Q35. Expresses satisfaction when others meet expectations</td>
<td>Q24. Keeps track of all mistakes</td>
<td>Q27. Directs her/his attention toward failures to meet standards</td>
</tr>
<tr>
<td>Q4. Focuses attention on irregularities, mistakes, exceptions, and deviations from standards</td>
<td>Q3. Fails to interfere until problems become serious</td>
<td>Q12. Waits for things to go wrong before taking action</td>
<td>Q17. Show that she/he is a firm believer in “If it ain’t broke, don’t fix”</td>
</tr>
<tr>
<td>Q17. Show that she/he is a firm believer in “If it ain’t broke, don’t fix”</td>
<td>Q17. Show that she/he is a firm believer in “If it ain’t broke, don’t fix”</td>
<td>Q20. Demonstrates that problems must become chronic before he/she takes action</td>
<td>Q20. Demonstrates that problems must become chronic before he/she takes action</td>
</tr>
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**Table Legend:**
- **Q1** to **Q35** represent questions related to the leadership styles described.
- **Q4** to **Q27** represent questions related to the management strategies described.

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**Source:**
- Gill (2010, p. 51)
- Avolio (2010, p. 64)
- D&D consultants grup (2007, p. 7)
**Reliability of analyses according to the MLQ used**

In order to insure the reliability of the measurement tool over the concept of the study and so, the validity and reliability of the result, reliability test was carried out on each sub-concept composite of the questionnaire: ‘idealized influences (attributes)’; ‘idealized influences (behaviors)’; ‘intellectual stimulation’; ‘individualized consideration’; ‘inspirational motivation’; ‘active management-by-exception’; ‘passive management-by-exception’; ‘laissez-faire’ and ‘contingent rewards’. The reliability test entailed the calculation of Cronbach’s alpha value for each sub-concept composite contained in the questionnaire. The Cronbach’s alpha is a widely used assessment tool of the internal consistence of different scale contained in a questionnaire. In fact, higher is the internal consistence of the scale higher is the effectiveness of questionnaire at measuring concept and so, more reliable would be association with data and findings. Its value is comprised between zero and 1. According to George and Mallery (2003 cited in Barnes 2013, p. 1573), an acceptable and reliable Cronbach’s value should not lie under 0.70 otherwise. Taking above information in consideration and the results of reliability analyses displayed in the descriptive means tab of analyses (cf. Table 3.2), we concluded that this version of MLQ was adequate since reliable and the findings reliable.

| Laissez-Faire | A non-leadership style since it entails doing nothing and let the things occurs (Avolio 2010, p. 65; D&D consultants grup MLQ™ report 2007, p. 8; Gill 2010, p. 51). In a business context, leaders using this method avoid taking strand and decisions and so, setting standards and goals, ignore problems, do not monitor anything, do not provide feedbacks and any other information according tasks to its followers, they do not work or acknowledge towards their subordinates’ satisfaction and they tend to be missing when they are needed: they are “ghost” leadership (ibid). In short, this type of leader does not assume responsibilities required from their position as leader. | Q5. Avoids getting involved when important issues arise | Q7. Is absent when needed | Q28. Avoids making decisions | Q33. Delays responding to urgent questions |
2.3.2 Secondary data

Secondary data relates to any data and material available from prior researches (Bryman and Bell 2011, p. 313). On a general matter, prior researches entail researches made for similar but also different purposes (ibid). For the purpose of this research, we acknowledge that this stated general matter applied. However in order to limit eventual bias, selected secondary data were closely assessed according to the part “measures of quality and ethical considerations” and what were done on similar researches. Consequently, only the closest data/material and the most relevant for our inquiry took part in the theoretical framework of our study. Those theories and researches were about the ‘Full-Range Leadership model (FRL)’; the ‘Implicit Leadership theory (ILT)’ and ‘Sweden from a cultural perspective’, which are directly in line with our “problem discussion” but also the “purpose of the research”.

2.4 Population of the research:

2.4.1 The population

In its general setting, the structure of audit firms is tailored according to auditing specific needs (Simons 1987; Sweeney and Pierce 2003). For instance, audit and accounting professionals work in tandem while doing audit (Bazerman et Al. 2002; Respondents 2015). Furthermore, even if different levels of management work in close relation with one others, audit firms remain hierarchical (Otley and Pierce 1995, p. 407; Cannon et Al. 2006, pp. 22-23; p. 50).

Accordingly, the higher level of management (senior management) is composed of partners in charge of providing overall direction and leadership to the whole audit/accounting staff (Otley and Pierce 1995, p. 407; Cannon et Al. 2006, pp. 22-23 ; p. 50). Though, it is important to notice that this level of leadership also participates in auditing with lower levels of management (ibid). The next lower level is composed of managers who guide and lead the audit staff while keeping close working relations with the audit senior who supervise fieldwork and provide leadership for the audit team (Otley and Pierce 1995, p. 407; Cannon et Al. 2006, pp. 22-23 ; p. 50). The audit staff
composition depends on organizations but it generally composed of juniors or accountants/auditor assistants and non-managing seniors (auditors/accountants) (ibid).

In the Swedish setting, there are 144 audit firms (Revisorsnämnden 2015a) all organized the way stated above. However, the particularity of Sweden remains that a great majority of those firms employ less than ten employees and consists in a high share of managers/partners comparing to senior/junior audit staffs (Svanberg and Öhman 2013, p. 578). Furthermore referring to additional comments from respondents working on the field, audit work and accounting are in practice disconnected from each others, even if executed in a same office (Respondents 2015). Consequently, it results in practice with the rise of informal leaders (ibid).

2.4.2 Sampling of the population

According to Revisorsnämnden (2015c), there are 2994 authorized public accountants and 633 registered public accountants in Sweden authorized to carry out Audit. Those public accountants work in audit/accounting firms. On Revisorsnämnden’s website (2015a), we found an additional list of 144 registered Swedish audit firms in Sweden that permitted us to retrieve email addresses of 45% of the total population of public accountants in Sweden while visiting each firm website: 1641. However, less than 1% of those websites provided us clear information about whoever manage a team and 181 email addresses were not viable. Consequently, the 1460 email addresses were the basis of our sample. Anyhow, as stated earlier the first part of our study involved assessing the Swedish audit team managers’ leadership practice according to Full-Range Leadership model through the eyes of non-managing audit staff. And so, those 1460 persons were asked if they were at the moment managing a team before answering the questionnaire in order to consider only what should had be considered for our inquiry: non-managing audit staff. Consequently, the sampling method referred to a random multi-stage (two-stage) cluster sampling (cf. Bryman and Bell 2011, pp. 181-185). Considering such size of sample maximized our chance at getting an answer while insuring us to have a relevant sample size of non-managing audit staffs – the real target of the inquiry- in comparison to the whole population. Plus, it might have decreased sampling error probability, which might have consequently increased the precision of
our study and so, the validity and reliability of our findings (Bryman and Bell 2011, pp. 187-188).

2.4.3 Contact approach with the sample population

Taking into consideration our limitations for this study (e.g., limited mobility and time constraint), the great number of persons to contact (1460) and the rather simplistic feature of the questionnaire used, we decided to administer the questionnaire by email i.e. via a software dedicated to this task. Accordingly, the questionnaire was in a ‘self-completion’ form.

A self-completion questionnaire is an easy-to-read and easy to answer question list given to the “objects of study” in order for them to answer it on their own (Bryman and Bell 2011, pp. 230-240). This method features many advantages (ibid). In fact, it is cheaper and quicker to administer and there are not manipulation or pressure made on the respondents since no interviewers are needed and there is more convenience for the respondents (ibid). However, we do acknowledge that this type of inquiry reduces drastically the ‘internal validity’ criterion since no causality can be proven while inducing a survey research (Bryman and Bell 2011, p. 56). Plus, we acknowledge that on the fact that we do not see whom answer (ibid, p. 233) and that the response rate for this method is usually low (ibid, p. 234). However, we relied on the cover letter and the significant size of the sample for overcoming those issues (cf. ibid, pp. 234-240). Regarding other disadvantages such as no help can be given to a respondents having difficulty to answer (ibid, p. 233), we relied on the fact that the questionnaire was made by professionals -Bass and Avolio-, validated by research community and translated into respondents’ native language –Swedish- by professional (Bryman and Bell, pp. 63-64). Consequently, issues on the meanings of questionnaire items might be minimized.

2.5 Method for the interpretation of the empirical data

Once collected, the answers of the questionnaire were processed via professional software called SPSS (Statistical Package for Social Science) with the assistance of our tutor. SPSS software is one of the most popular software used for research (Bryman and Bell 2011, p. 360). Thanks to this software, we first generated descriptive statistics in
order to provide readers more information about the nature of the respondents. After this step, we coded every questionnaire items. Then, we calculated average of each component (e.g., transformational leadership) and sub-components (e.g., idealized attributes) contained in the MLQ X5 (cf. method displayed in D&D consultants grup MLQ report 2007). Later, the average results of this test were compared to the research validated norm results (cf. D&D consultants grup MLQ report 2007) in order to feature readers the situation on the field.

After insuring readers about the validity and reliability of those results, by calculating and displaying the Cronbach’s alpha value -the formal estimate of the reliability of a psychometric test used by research community (Bryman and Bell 2011, p. 159)-, additional useful statistics were made, for deeper understanding of phenomenon featured by the result of the test. Consequently, this paper featured a univariate analysis (e.g., measures of central tendency – arithmetic mean- and dispersion –standard deviation-)(cf. Bryman and Bell 2011, p. 342-345) but also a bivariate analysis – correlation; Anova,T-test- to identify the existing patterns of association and further explanation of the empirical result (Bryman and Bell 2011, pp. 346-350). Accordingly, hypotheses were tested through the analyses. However, further interpretations of data and completion of the explanations were done with the use of secondary materials i.e. “Theoretical framework” part of our report in the part following the analyses: “Conclusive Discussion”.
Summarized map of research:

Based on a deductive approach of research, the overall method strategy of this inquiry were as the following:

We started by completing a literature review of the ‘Full-Range Leadership model’, ‘The Implicit Leadership Theory’ and ‘Sweden from cultural perspective’. As a result, we gave clear and complete theoretical meaning of concepts (‘conceptualization’). After completion, hypotheses were developed according to the research question and “theoretical framework” and displayed in our paper right after the theoretical parts.

One part of the operationalization entailed the breakdown of our purpose into steps to be able to test our hypotheses empirically and so, meet the goal of our paper. In fact, we first aimed at assessing Swedish audit team managers’ leadership profile through the use of a psychometric test (slightly modified MLQ 5X). For this purpose, questionnaires were sent to non-managing audit staff to get them assessing their managers. The results of this inquiry were collected and processed through SPSS software. The preliminary step before any further analysis was about calculating score results of every leadership profile composite (e.g., passive/avoidant leadership) and composite sub-components (e.g., active management-by-exception) contained in questionnaire via the software.

Afterwards, the first step of the analysis was conducted and it consisted in univariate analyses in order to find average trend but also to get a clear picture of the situation on the field. The second step of the analysis consisted in bivariate analyses of the result in order to investigate potential background variables influences over our results (pattern of associations). More, bivariate analyses were also made for finding consistent explanations on the way Swedish audit team managers enact the FRL model according to their leadership practice. Step after step in the analyses, some hypotheses were accepted and rejected. In the following part “conclusive discussion”, theories from the “theoretical framework” were applied to the study findings in order to provide clear and deeper explanations. After this part of the report displayed the relevant hypotheses, the answer to our research question and so, the review (rather completion/enrichment) of the initial theory – the Full-Range Leadership model (FRL) is global-, we concluded
this paper with recommendations for the use of this report and its findings e.g. reminders on the limitations, and recommendations for future research.

3 Theoretical framework:

3.1 The Full-Range Leadership or the Transformational Leadership model by Bass and Avolio

In 1978 after years of meticulous studies on political figures, Burns came to the conclusion that two leadership styles co-exist (as cited in Lowe et al. 1996, p. 385): the transactional and the transformational leadership style. Inspired from Burns’ work (1978), Bass and Avolio investigated the two leadership styles and concluded in 1985 that those two styles were complementary and important in organizations (ibid). Indeed, straight transformational leaders motivate, influence, consider its subordinates whereas straight transactional leaders set foundations (goals), structure clearly and facilitate tasks while providing the shorter way to achieve the goal and rewards or punish its subordinates (ibid)(Avolio 2010, pp. 49-50). Both being required, straight transformational leaders cannot be successful, effective and efficient as cannot be straight transactional leaders (ibid). However, a good balance between the two leadership styles is necessary for making successful an organization (ibid).

Additionally to the transactional and transformational, Bass (1985)(cited in Bass and Avolio 1999, pp. 441-442) found another type of leadership style in organizations: passive leadership; laissez-faire leadership which is likely to a non-leadership situation in organizations. From those perspectives, Bass and Avolio developed a model of leadership called the Full-Range Leadership (Gill 2010, pp. 50-51). The assumption underneath this model is that every leader displays the three leadership styles—transformational, transactional and passive- but at different level (Avolio 2010, p. 66).

However, a good balance of the three leadership styles is mandatory in order to be effective (Avolio 2010, p. 49; p. 69). In fact, the Full-Range Leadership theory does not only display the different characteristics that a leader has, it displays an arrangement of them and so, suggests at which intensity each dimension and sub-dimension should be enacted in order to have effective leadership in organizations (Avolio 2010, pp. 66-67;
p. 69)(cf. Research validated norms and bench displayed below). Accordingly, a leader should be more frequently transformational than transactional and more frequently transactional than passive (ibid). Furthermore as displayed in the Graph 1, in the right arrangement the 5Is (‘idealized influences (behaviors)’; ‘intellectual stimulation’; ‘inspirational motivation’; ‘individual consideration’ and then, ‘idealized influences (attributes)’) are more effective than ‘contingent rewards’, which is itself more effective than ‘active management-by-exception’ (ibid). ‘Active management-by-exception’ is more effective than ‘passive management-by-exception’, which latter is more effective than ‘laissez-faire’ (ibid). However, the additional assumption underneath this model is that the transformational leadership style coupled with the most positive form of transactional leadership style can make an organization successful whereas passive leadership style should be minimize since it does not give good outcomes (ibid, p. 49; pp. 66-67; p. 69).

3.1.1 Transformational Leadership Style

The transformational leadership even as a leadership style is the most taught paradigm in the world and in research community (Avolio 2010, p. 49; Barnes 2013, p. 1567; Bass 1985; 1990a,b; Bass and Avolio 1994 cited in Gill 2010, p. 51). In fact, this mode is considered as the most beneficial since it is a proactive leadership style (Bodla and Nawaz 2010, p. 210; Hytter 2014). Proactive means not waiting for things going the wrong way to react but rather anticipate events (ibid)(Hayes 2007). Furthermore, being proactive means not being averse to change and so, having the ability to adapt oneself quickly and being optimistic about the outcomes (ibid)(Hayes 2007). Consequently, transformational leaders are adequate to today market and economy, which are very uncertain and fast moving (ibid). Additionally transformational leadership style is a positive leadership style resulting in many positive outcomes on organization performance but also subordinates (Gill 2010, pp. 50-51; Avolio 2010, p. 49; p. 51; D&D consultants grup 2007, p. 9; p. 3) e.g. motivation, satisfaction at work which also decrease turnover while increasing commitment, increase volume and quality of the work done; develop subordinates’ abilities and heighten their desire to succeed in, create great alignment with vision and mission …
**Idealized Influences (Attributes)**

The research-validated norm is 2.66 out a scale from zero to four while the research-validated benchmark is between 2 and 3 (cf. D&D consultants grup MLQ report 2007, p. 5). In reality, ‘idealized influences (attributes)’ is the ability to build trust within the team by featuring characteristics, which inspire pride and respect among followers (ibid) (Gill 2010, p. 53). ‘Idealized influences (attributes)’ is likely to charisma – even more when coupled with ‘idealized influences (behaviors)’ - (Gill 2010, p. 53).

**Idealized Influences (Behaviors)**

‘Idealized influences (behaviors)’ entails strong moral and values-driven behaviors from leaders but also highly valued behaviors like dominance, consciousness, self-control, optimism and self-efficiency (D&D consultants grup 2007, p. 5). In fact, leaders displaying idealized behaviors features positive and consistent vision and consider the moral and ethical consequences of their actions (ibid). By that way, they act as role models and inspire their team. The research-validated norm is 3.21 out a scale from zero to four while the research-validated benchmark is between 3 and 4 (cf. D&D consultants grup MLQ report 2007, p. 5).

**Inspirational Motivation**

Leaders using this mode motivate their subordinates by projecting desirable vision which are alignment with organizational goals and individuals goals, being optimistic, confident and so, stressing ambitious goals (Avolio 2010, p. 61; D&D consultants grup 2007, p. 6; Gill 2010, p. 52). The research-validated norm is 3.08 out a scale from zero to four while the research-validated benchmark is between 3 and 4 (cf. D&D consultants grup MLQ report 2007, p. 6).

**Intellectual Stimulation**

This is about challenging subordinates to think and act differently while being creative and innovative, challenging the status quo, and actively think and participate to the decision-process e.g. finding solution to problem even the toughest (Avolio 2010, p.61; D&D consultants grup 2007, p. 6; Gill 2010, p. 52). Such leaders encourage intuition as logic and do not criticize or judge mistakes/failures or ideas different from them. The research-validated norm is 3.12 out a scale from zero to four while the research-validated benchmark is between 3 and 4 (cf. D&D consultants grup MLQ report 2007, p. 6).
**Individualized Consideration**

The ‘individualized consideration’ is about caring about and listening to the subordinates’ needs and feelings (Gill 2010, p. 52). Leaders using this mode are often supportive towards their team, treat each individual uniquely, monitor; coach and provide feedbacks (ibid) (Avolio 2010, p. 62; D&D consultants grup 2007, p. 6). Consequently, individuals will be prepared to work on their own if leaders leave (Avolio 2010, p. 50). The research-validated norm is 2.87 out a scale from zero to four while the research-validated benchmark is between 2 and 3 (cf. D&D consultants grup MLQ report 2007, p. 6).

**3.1.2 Transactional Leadership Style**

Transactional leadership style is a directive leadership style in which leaders set the rules and subordinates exert (Gill 2010, p. 51; Hytter 2014). Transactional leaders do not make use of consultative, participative or delegate leadership style (Gill 2010, p. 51). Consequently, transactional leadership style is often seen as the bad and dictatorial leadership (ibid). However according to Avolio (2010, p. 49), purely transformational leaders cannot succeed in without having a form of transactional leadership style. In fact, expectations and goals must be set as well as the performance must be monitored (ibid). Plus, achieving a goal reckons structuring tasks first (ibid).

**Contingent Rewards**

In a transactional mode of leadership, contingent rewards are feedbacks, financial; material or psychological incentives given by the leader in exchange of its subordinates meet set goals and performance (Gill 2010, p. 51; D&D consultants grup 2007, p. 7). The research-validated norm is 3.08 out a scale from zero to four while the research-validated benchmark is between 3 and 4 (cf. D&D consultants grup MLQ report 2007, p. 7).

**Active Management-by-Exception**

According to Gill (2010, p. 51), ‘active management-by-exception’ entails monitoring for preventing eventual errors and deviations and reinforcing rules and procedures (Avolio 2010, p. 64; D&D consultants grup 2007, p. 7). The research-validated norm is
2.43 out a scale from zero to four while the research-validated benchmark is between 2 and 3 (cf. D&D consultants grup MLQ report 2007, p. 7).

3.1.3 Passive/Avoidant Leadership Style

This passive mode of leadership style is considered to be the least effective approach of leadership according to its characteristics displayed below (cf. Avolio 2010, p. 65; D&D consultants grup MLQ report 2007, p. 8).

**Passive Management-by-Exception**

This component is about waiting for issues to arise and become serious to react and take corrective actions (Avolio 2010, p. 64; D&D consultants grup MLQ report 2007, p. 8; Gill 2010, p. 51). Such leaders stick to the philosophy: “If ain’t broke, don’t fix it” (ibid).

For this measure, the research-validated norm is 1.23 out a scale from zero to 4. Additionally, the research-validated benchmark is comprised between 1 and 2 (cf. D&D consultants grup MLQ report 2007).

**Laissez-faire**

Actually, it is a non-leadership since it entails doing nothing and let the things occurs (Avolio 2010, p. 65; D&D consultants grup MLQ report 2007, p. 8; Gill 2010, p. 51). In a business context, leaders using this method avoid taking strand and decisions and so, setting standards and goals, ignore problems, do not monitor anything, do not provide feedbacks and any other information according tasks to its followers, they do not work or acknowledge towards their subordinates’ satisfaction and they tend to be missing when they are needed: they are “ghost” leaders (ibid). In short, this type of leader does not assume responsibilities required from their position as leaders (ibid). For this measure, the research validated norms is 0.88 (out a scale from zero to 4) and research validated benchmark is comprised between zero to 1 (cf. D&D consultants grup MLQ report 2007, p. 8).
3.2 The Implicit Leadership Theory:

‘The implicit leadership theory’ (ILT) is a theory, which has been first introduced by Eden and Leviathan in 1975 (cited in Den Hartog 1999, p226). The core belief of this theory is that each individual has its own understanding and preconceived beliefs and assumption about leaders’ characteristics and the way leaders should act and so, in case of leaders, they enact leadership which seems relevant to themselves (ibid)(House et Al. 1999; 2002). Accordingly, each individual has its own beliefs about what an effective and efficient leader and leadership is. According to Den Hartog (1999, p227) and House et Al. (1999; 2002), those individual perceptions depend on each individual’s cultural background and characteristics such as age, gender, local culture, education, job and ethnicity. However, Den Hartog (1999, p. 227) added that considering a country with several sub-cultures or ‘weak’ national culture would lead to different perceptions from individual even if they were initially from the same territory. A ‘weak’ national culture entails a country with a ‘weak’ national identity i.e. non-cohesive whole strength of attachment to customs, traditions, language, beliefs and national territory (Keillor and Hult 1999). It usually results in several sub-cultures; greater acceptance of change, environment uncertainty and citizen plurality, and so better flexibility and openness and tolerance to foreign cultures (Keillor and Hult 1999; Den Hartog 1999, p. 227; Hofstede 2015).

In the Accounting/Audit field, the ‘Implicit Leadership Theory’ seems to be valid. In fact, referring to Morris (2014, pp. 5-6; 13-15), personal characteristics influence ethical positioning and other behaviors of auditors such as the decision-making. However, author also stated that firms’ leaders also influence the organizational culture and auditor behaviors via senior managers’ perception of leaders and of firm culture (ibid). Furthermore referring to direct comments from respondents working in Swedish audit firms, the empirical managerial disconnection between auditing and accounting function results in different perceptions about the way individuals feels managed (respondents 2015). In fact, some may feel autonomous and so, satisfied at work whereas some others may feel not managed at all, confused and not motivated by managers to perform (respondents 2015).
3.3 Sweden from a cultural perspective:

3.3.1 A definition of culture by Hofstede’s:

Drawn from the work of Hofstede (1991, 1983; 1980) and other researchers as Jung et Al. (1995)(as cited in Den Hartog 1999, p. 228), Hofstede Center’s website (2015) displayed the Swedish national culture according to six parameters (Hofstede 2015): the level of power distance; feminine/masculine society; the level uncertainty avoidance; the level of indulgence; the level of individualism and long-term orientation. The level of power distance deals with the attitude of individuals towards inequalities in the society (ibid). Feminine societies are defined as culturally attached to quality of life. Plus in feminine societies, individuals care for one others. Paradoxically, masculine societies are defined as culture led by competition and individual success and achievement (ibid). The level uncertainty avoidance deals with the culture anxiety towards the future and so, its attempt at controlling it (ibid). The level of indulgence deals with the matter on how individuals react towards their own desires and impulsions while the long-term orientation deals with the attachment of a culture towards the past and the way it relates to the present and the future according to the past (ibid). Individualism is defined as culture emphasizing the individual (“I”) rather than the community (“We”) to the extent of themselves and direct relatives (ibid). According to Den Hartog (1999, p. 228) such classification of culture does matter in leadership context since a transformational leadership style is easier to apply and to get benefit from in ‘collectivistic’ cultures; masculine culture may accept directive leaders whereas feminine culture would prefer consultative and caring leaders; egalitarian countries with low power distance would ask for egalitarian leadership, accessible leaders and more informalities in their acts, and less rules and procedures rather than in cultures where power distance is high; and culture with high level of avoidance uncertainty would make different requests to their leaders comparing to leaders in a culture with low uncertainty avoidance.

3.3.2 Hofstede’s six dimensions of culture applied to Sweden:

Sweden rated low in power distance (31%); in masculinity (5%) and in uncertainty avoidance (29%).
Sweden low score of power distance means that hierarchy is seen as for convenience only and so, power is decentralized, communication is direct, informal and participative, employees are independent but consulted, superiors are accessible, coaching and supportive, management empowers and facilitates but control is not appreciated (Hofstede 2015). The low score of Sweden in masculinity demonstrates that Sweden is a feminine country in the sense that equality, solidarity and quality of life and liking what you do is important in despite of lifting oneself above others and hard working for its own sake (ibid). But as working is required/important, an efficient work/life balance is mandatory and to achieve it but also resolve conflicts discussion, negotiations and compromises are highly appreciated (ibid). Sweden low score on uncertainty avoidance means that they do not fear novelties and changes, practices counts more than principles, deviances are rather tolerated since rules are good to a certain extend (ibid): not too complicated, ambiguous or numerous otherwise changes should occur.

Additionally, Sweden scored neutral in long-term orientation (53%) but high in indulgence (78%) and in individualism (71%).

Sweden’s neutral score in long-term orientation means that the Swedish culture do not express preferences on sticking to the past norms and traditions or being pragmatic and prepare and project oneself in the future despite of the past (ibid). However, high score in indulgence means that Swedish culture is not about restraining oneself but rather realizing its impulses, desires and so, having fun and enjoying life (ibid). In the case of Sweden, high score in individualism means that people are supposed to be independent and so, care about themselves and their direct families, employees/employers relationship is contract based on mutual advantage whereas the management strategy is the management of individual and hiring, advantages/incentives and promotion are based on merit (ibid). However in their book “Understanding Global Cultures: Metaphorical Journeys Through 31 Nations”, Gannon and Pillai (2012, pp. 148-149) clarify Swedish individualism as a ‘smart’ individualism i.e. emphasizing on the “we” when it is the most practicable and rational choice but on the “I” otherwise. More, new generations arrives and society change into a more and more individualistic society where relationship between are getting distant and where concern for others is eroding (ibid, p. 152).
3.3.3 The strength of Swedish culture:

Despite of those results, Hofstede (2015) did not provide clear information about the strength of Swedish national culture. However, this information did matter for our study in order to appreciate reliability and stability of our conclusion on the way Swedish audit team managers enact the FRL model according to their audit staffs. In fact, as stated earlier, a country with several sub-cultures or ‘weak’ national culture would empirically result in different perceptions of leaders and leadership among individuals even from the same territory (Den Hartog 1999, p. 227). After studying the national identity of five different countries (Sweden, Hong Kong, Japan, USA and Mexico) Keillor and Hult (1999, pp. 74-75) concluded that Sweden has a relatively ‘weak’ national culture (ibid, pp. 76-77) according to its results on the four parameters set for the study: national heritage (level of importance of the role of history in a culture); cultural homogeneity (level of variation in the understanding and translation of the local culture among individual belonging to a same culture); belief system (level of importance religion and supernatural beliefs in culture) and consumer ethnocentrism (level of acceptance at purchasing foreign products rather than domestic products).

Accordingly referring to Den Hartog statement on the outcomes of ‘weak’ national cultures regarding individuals’ perception, assumptions and beliefs on leaders and leadership (1999, p. 227), our study could result in high variability among respondents’ opinion and differences in the way Swedish audit team managers enact the Full-Range Leadership model, in comparison to theory. Consequently, an additional investigation on the potential influences of study background variables and the empirical results could be possible depending on study analyses outcomes.

4 Hypotheses:

According to our purpose and literature reviews, we developed the following hypotheses. Those hypotheses were tested empirically.

=>**Hypothesis A**: Swedish Audit team managers’ leadership practice complies more with the transformational dimension contained in the Full-Range Leadership model
Hypothesis B: Swedish Audit team managers’ leadership practice complies more with the transactional dimension of the Full-Range Leadership model

Hypothesis C: Swedish Audit team managers’ leadership practice complies more with the passive dimension contained in the Full-Range Leadership model

However each leadership dimension sub-components were investigated to determine in the most precise manner the empirical leadership (FRL) display in Swedish audit firms and so, to answer our research question. Accordingly, another set of hypotheses were developed and tested empirically:

Hypothesis 1: Swedish Audit team managers’ leadership practice is aligned with research validated norms of each leadership sub-dimension displayed in the Full-Range Leadership model, which makes their practice authentic to the model and so, predicts that the model is truly universalistic.

Hypothesis 2: Swedish Audit team managers’ leadership practice is not aligned with research validated norms of each leadership sub-dimension displayed in the Full-Range Leadership model, which makes their practice unauthentic to the model and so, predicts that the model is not as much universalistic as claimed.

5 Analyses of the Full-Range Leadership in Swedish Audit firms:

For the need of analysis, we decided to apply a statistical level at 0.95 (or “p<0.05”). According to Bryman and Bell (2011, p. 353), such value is the most used in Business research community.

5.1 Respondents:

Of the 1460 emailed questionnaires, 156 filled-out questionnaires were received. However, 40 responses were excluded from the sample of responses because of respective respondents being themselves managers, while 5 others were excluded because respective respondents function were not related to auditing. Consequently, only 111 questionnaires responses were considered for this inquiry. As questionnaires
were strictly individual, 111 individuals took part in the study. Their respective characteristics are displayed in the tab below.

<table>
<thead>
<tr>
<th>Items</th>
<th>N=111</th>
<th>Characteristics</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td>Male</td>
<td>31</td>
<td>27.9</td>
<td>27.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>80</td>
<td>72.1</td>
<td>100</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td>Up to 29 years</td>
<td>22</td>
<td>19.8</td>
<td>19.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30-39 years</td>
<td>28</td>
<td>25.2</td>
<td>45.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40-49 years</td>
<td>32</td>
<td>28.8</td>
<td>73.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50-59 years</td>
<td>23</td>
<td>20.7</td>
<td>94.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>60 years and older</td>
<td>6</td>
<td>5.4</td>
<td>100,0</td>
</tr>
<tr>
<td>Level of Education</td>
<td></td>
<td>Elementary School</td>
<td>3</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High School</td>
<td>18</td>
<td>16.2</td>
<td>18.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Post high School/Vocational</td>
<td>18</td>
<td>16.2</td>
<td>35,1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University</td>
<td>72</td>
<td>64.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Job Title</td>
<td></td>
<td>Chartered Accountant</td>
<td>5</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Approved Auditor</td>
<td>1</td>
<td>.9</td>
<td>5.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Auditor</td>
<td>9</td>
<td>8.1</td>
<td>13.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Auditing assistant</td>
<td>24</td>
<td>21.6</td>
<td>35,1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Auditing consultant</td>
<td>62</td>
<td>55.9</td>
<td>91,0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Certified Accounting consultant</td>
<td>10</td>
<td>9,0</td>
<td>100,0</td>
</tr>
<tr>
<td>Size of the Firms</td>
<td></td>
<td>2-9 employees</td>
<td>27</td>
<td>24.3</td>
<td>24.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10-19 employees</td>
<td>47</td>
<td>42.3</td>
<td>67.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20-39 employees</td>
<td>24</td>
<td>21.6</td>
<td>89.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40 employees and more</td>
<td>12</td>
<td>10,8</td>
<td>100,0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sub-Total</td>
<td>110</td>
<td>99.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Missing</td>
<td>1</td>
<td>.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>111</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Based on this sample the median Swedish audit firm size is comprised between 14 and 15 employees, while Swedish audit staff median class age is comprised between 39 and 49 years old.

5.2 Means analysis
5.2.1 Empirical results

The outcomes of the empirical investigation -answers to each question- on the way Swedish audit team managers enact the Full-Range Leadership were gathered at the end
of the survey session. From this gathering, we directly calculated the arithmetic means of each leadership composite – transformational; transactional; passive/avoidant leadership- and of each leadership composite sub-component (e.g., laissez-faire; contingent rewards). The arithmetic means of each leadership composite (or rather leadership style) – transformational; transactional; passive/avoidant leadership- are displayed in the table 3.1 while, the arithmetic means of each leadership composite sub-component (e.g., laissez-faire; contingent rewards) are displayed in the table 3.2. The following tables feature the (average) frequency of enactment of each leadership style and of each style sub-component by Swedish audit team managers. Accordingly, the interpretation of those tables unveiled Swedish audit team managers’ leadership trend according to their non-managing audit staff.

The empirical results for leadership styles or leadership “composites”

<table>
<thead>
<tr>
<th>Table 3.1: Descriptive Statistics: Leadership style sample means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>Transnational Leadership</td>
</tr>
<tr>
<td>Transactional Leadership</td>
</tr>
<tr>
<td>Passive/Avoidant Leadership</td>
</tr>
</tbody>
</table>

Likert-scale: 0= “not at all”; 1= “once in a while”; 2= “sometimes”; 3= “fairly often”; 4= “frequently, if not always”.

According to table 3.1, ‘transformational leadership’ style is enacted “sometimes” whereas ‘transactional leadership’ style and ‘passive/avoidant leadership’ style is enacted in between frequencies “once in a while” and “sometimes” by Swedish audit team managers. However, it is important to specify that mean values displayed in the table 3.1 show that the enactment of ‘transactional leadership’ style is closer to “sometimes” whereas, the enactment ‘passive/avoidant leadership’ style is closer to the frequency “once in while”.

As a conclusion, we can state that Swedish audit team enact more often ‘transformational leadership’ than ‘transactional leadership’ style, which is itself more enacted than the ‘passive/avoidant leadership’ style in their day-to-day practice of leadership. Consequently, hypotheses B and C about the strongest compliance of Swedish Audit team managers’ leadership practice with transactional or the passive/avoidant leadership styles are rejected whereas the hypothesis A about the strongest compliance of Swedish Audit team managers’ leadership practice with transformational leadership style is accepted.
The empirical results for Leadership composite sub-components

Table 3.2: Descriptive Statistics: Leadership Style sub-component sample means

<table>
<thead>
<tr>
<th></th>
<th>Cronbach’s Alpha</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intellectual Stimulation</td>
<td>0.740</td>
<td>0.00</td>
<td>4.00</td>
<td>1.9550</td>
<td>.84625</td>
</tr>
<tr>
<td>Idealized Influence (Behavior)</td>
<td>0.697</td>
<td>0.00</td>
<td>3.75</td>
<td>1.8964</td>
<td>.87482</td>
</tr>
<tr>
<td>Idealized Influence (Attributes)</td>
<td>0.862</td>
<td>0.00</td>
<td>4.00</td>
<td>2.1441</td>
<td>1.13646</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>0.874</td>
<td>0.00</td>
<td>4.00</td>
<td>2.3874</td>
<td>.98900</td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td>0.858</td>
<td>0.00</td>
<td>4.00</td>
<td>2.0676</td>
<td>1.09697</td>
</tr>
<tr>
<td>Contingent Rewards</td>
<td>0.704</td>
<td>0.00</td>
<td>4.00</td>
<td>1.8198</td>
<td>.94879</td>
</tr>
<tr>
<td>Management by Exception (Active)</td>
<td>0.815</td>
<td>0.00</td>
<td>4.00</td>
<td>1.2995</td>
<td>.93591</td>
</tr>
<tr>
<td>Management by Exception (Passive)</td>
<td>0.711</td>
<td>0.00</td>
<td>3.50</td>
<td>1.3896</td>
<td>.87236</td>
</tr>
<tr>
<td>Laissez Faire</td>
<td>0.854</td>
<td>0.00</td>
<td>3.75</td>
<td>1.0923</td>
<td>1.01350</td>
</tr>
</tbody>
</table>

N=111

Likert-scale: 0= “not at all”; 1= “once in a while”; 2= “sometimes”; 3= “fairly often”; 4= “frequently, if not always”.

The table 3.2 features the average frequency of enactment of each leadership sub-components. Accordingly at this stage of the analysis, we can state that ‘idealized influences (attributes)’; ‘inspirational motivation’; and ‘individualized consideration’ are enacted between “sometimes” and “fairly often” whereas ‘Intellectual stimulation’; ‘Idealized influences (behavior)’; and ‘contingent rewards’ are enacted closely to “sometimes” by Swedish audit team managers whereas ‘management-by-exception (passive and active)’ are enacted more closely to “once in a while” than “sometimes”. Though, ‘management-by-exception (active and passive)’ is enacted more often than ‘laissez-faire’ since its mean value is even closer to “once in while” than it is to “sometimes”.

Consequently according to their respective mean calculations, Swedish audit team managers make use of the ‘inspirational motivation’ then the ‘idealized influences (attributes)’, ‘individualized consideration’; ‘intellectual stimulation’; ‘idealized influences (behaviors)’; ‘contingent rewards’; ‘passive management-by-exception’; ‘active management-by-exception’ and lastly ‘laissez-faire’ in their leadership practice.
However, it is important to notice that standard deviation values are usually high around the means of each leadership composite and each leadership sub-component. Accordingly, the high standard deviation values demonstrate high variation around the means. In other terms, it features that the opinion among respondents differs significantly. Subsequently, the arrangement order of different composite sub-component featured by frequency of enactment of each leadership sub-component could significantly differ. For instance, if we associate the means with the negative pole of standard deviation values, the featured arrangement would change to: ‘inspirational motivation’; ‘intellectual stimulation’; ‘Idealized influences (behaviors)’; Idealized influences (attributes)’; ‘individualized consideration’; ‘contingent rewards’; ‘passive management-by-exception’; ‘active management-by-exception’; and ‘laissez-faire’. In other terms, Swedish audit team managers display first ‘inspirational motivation’; then ‘intellectual stimulation’; ‘Idealized influences (behaviors)’; Idealized influences (attributes)’; ‘individualized consideration’; ‘contingent rewards’; ‘passive management-by-exception’; ‘active management-by-exception’; and lastly ‘laissez-faire’.

5.2.2 Comparison of the empirical result with Research validated norms

In this part of the analysis the average frequency of enactment of each leadership sub-component displayed by Swedish audit team managers are compared to respective research validated norms. This is done in order to find out if Swedish audit team managers’ leadership practice differs significantly from theory. The comparison was made via one sample T-Test analysis and is displayed in the tab below:

<table>
<thead>
<tr>
<th></th>
<th>Means (current study)</th>
<th>Means (Research validated norms)</th>
<th>Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intellectual Stimulation</td>
<td>1,9550</td>
<td>3.12</td>
<td>-1.16505</td>
<td>-14.505</td>
<td>110</td>
<td>0.000</td>
</tr>
<tr>
<td>Idealized Influence (Behavior)</td>
<td>1,8964</td>
<td>3.21</td>
<td>-1.31360</td>
<td>-15.820</td>
<td>110</td>
<td>0.000</td>
</tr>
<tr>
<td>Idealized Influence (Attributes)</td>
<td>2,1441</td>
<td>2.66</td>
<td>-0.51586</td>
<td>-4.782</td>
<td>110</td>
<td>0.000</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>2,3874</td>
<td>3.08</td>
<td>-0.69261</td>
<td>-7.378</td>
<td>110</td>
<td>0.000</td>
</tr>
<tr>
<td>Leadership Sub-component</td>
<td>N</td>
<td>Mean</td>
<td>Standard Deviation</td>
<td>Minimum</td>
<td>Maximum</td>
<td>Effect Size</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-----</td>
<td>------</td>
<td>--------------------</td>
<td>---------</td>
<td>---------</td>
<td>------------</td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td>2,0676</td>
<td>2.87</td>
<td>-0.80243</td>
<td>-7,707</td>
<td>110</td>
<td>0.000</td>
</tr>
<tr>
<td>Contingent Reward</td>
<td>1,8198</td>
<td>3.08</td>
<td>-1.26018</td>
<td>-13,993</td>
<td>110</td>
<td>0.000</td>
</tr>
<tr>
<td>Management by Exception Active</td>
<td>1,2995</td>
<td>2.43</td>
<td>-1.13045</td>
<td>-12,726</td>
<td>110</td>
<td>0.000</td>
</tr>
<tr>
<td>Management-by-exception passive</td>
<td>1,3896</td>
<td>1.23</td>
<td>0.15964</td>
<td>1,928</td>
<td>110</td>
<td>0.056</td>
</tr>
<tr>
<td>Laissez-faire</td>
<td>1,0923</td>
<td>0.88</td>
<td>2.21234</td>
<td>2,207</td>
<td>110</td>
<td>0.029</td>
</tr>
</tbody>
</table>

The featured results demonstrated that Swedish audit managers enact significantly less often ‘Idealized influence (Behaviors and Attributes)’; ‘Inspirational motivation’; ‘Intellectual stimulation’; ‘Individual consideration’; ‘Contingent Rewards’; ‘Active Management-by-exception’ in comparison to theory. And that, ‘Laissez-Faire’ is statistically significantly more enacted by Swedish audit team managers than theory may also advise. However, frequency of enactment of ‘Passive Management-by-exception’ is not statistically significantly different from theory.

Referring back to “theoretical framework”, we featured research validated norms and benchmarks. The research validated benchmarks are ranges of effective compliance around the norms. A comparison of those ranges with mean values of each leadership sub-component featured that only three leadership sub-components are in line with those measures. Those leadership sub-components are namely the ‘passive management-by-exception’; the ‘individualized consideration’; and the ‘idealized influence (attributes)’. Correspondingly, the ‘somewhat’ theoretical alignment of those three sub-components out the nine leadership sub-components demonstrates a weak alignment with theory.

After the displayed analyses, hypothesis 1 regarding the alignment of Swedish Audit team managers’ leadership practice with research validated norms of each dimension displayed in the Full-Range Leadership model making their practice authentic to the model and the model is truly universalistic is definitely rejected. Consequently, the hypothesis 2 regarding the non-alignment of Swedish Audit team managers’ leadership practice with research validated norms of each dimension displayed in the Full-Range Leadership model, making their practice unauthentic to the model and so, predicting
that the model is not as much universalistic as claimed is definitely accepted. A modeling of the empirical FRL was made in order to make clearer the situation on the field. However it is important to remind that standard deviation values of each composite sub-component are usually high and so, this modeling has its own limitations.

Graph 1: Theoretical Full-Range Leadership Model (owned by author)

Graph 2: Empirical Full-Range Leadership Model (owned by author)

As stated earlier, high standard deviation values demonstrated a high variability of the respondents’ opinion regarding the corresponding theme. In the following part of the means analysis, we investigated potential reasons of such high variations while studying influences of background variables (respondents’ age; gender; level of education; size of the firm; job position) over the results. However, this analysis also permitted us to
explain with more accuracy the phenomenon on the field without being too normative in our conclusions. Indeed, those analyses put the light on existing individuals’ different perceptions of leadership according to their personal characteristics.

5.2.3 Influences of background variables over the empirical results

On the SPSS software, the influence of background variables over each leadership composite and each leadership composite sub-component were tested at the significance level “p=0.05”. The result of the analysis featured that the level of education did not influence the way Swedish Audit staff saw the leadership practice of their managers (Cf. Appendix B). In fact, no statistically significant differences were noticed among the means according to “level of education” variable. Consequently, its respective influence was not investigated further. However, results of analyses demonstrated statistically significant influences of other background variables over some of leadership composites and some of leadership composite sub-components. Each of them would be investigated further in the following sub-parts of the paper.

Respondents’ age influenced the way they assessed their leader:

For this sub-part of the analysis, 111 cases were considered. Those cases correspond to the number of respondent, which filled out the criterion age.

For this analysis, the test one-way ANOVA were used. The one-way ANOVA is a test, which aims at testing null hypotheses. In this test the F- statistic coupled with statistical significance is used. When F is great and statistical significance is lower than 0.05, the null-hypothesis is rejected. In the case of this analysis, a rejected null hypothesis means that means/averages are statistically significantly different from one others. In other terms, this means that the corresponding individual parameter did result in different perceptions of managers’ leadership practice. However, a complementary test was carried out in order to determine which means were significantly different. It is important to remind that ANOVA does not feature this information. Accordingly, for this purpose a Tukey-B’ s test was used since it was particularly made for this purpose: compares means and so, determines which groups are significantly different from one others.
Table 5.1: ANOVA (age)

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intellectual Stimulation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>9,206</td>
<td>4</td>
<td>2,301</td>
<td>3,507</td>
<td>.010</td>
</tr>
<tr>
<td>Within Groups</td>
<td>69,569</td>
<td>106</td>
<td>.656</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>78,775</td>
<td>110</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingent Reward</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>10,651</td>
<td>4</td>
<td>2,663</td>
<td>3,194</td>
<td>.016</td>
</tr>
<tr>
<td>Within Groups</td>
<td>88,371</td>
<td>106</td>
<td>.834</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>99,021</td>
<td>110</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional Leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between Groups</td>
<td>4,919</td>
<td>4</td>
<td>1,230</td>
<td>3,087</td>
<td>.019</td>
</tr>
<tr>
<td>Within Groups</td>
<td>42,232</td>
<td>106</td>
<td>.398</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>47,151</td>
<td>110</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Referring ANOVA (age) table, F-statistic is significantly high to the rows: ‘Intellectual stimulation’; ‘contingent rewards’; and ‘transactional leadership’. Plus, statistical significance of each of those rows are p<0.05. In fact, ‘Intellectual stimulation’ has “p=0.010”; ‘contingent rewards’ “p=0.016” and; ‘transactional leadership’ “p=0.019”.

Accordingly, we concluded that means were not equals for ‘Intellectual stimulation’; ‘contingent rewards’; and ‘transactional leadership’ depending on the respondents’ respective age. As a result, age influenced the frequency to which the non-managing audit staff recognized ‘contingent rewards’; ‘transactional leadership’ and; ‘intellectual stimulation’ attitudes among their managers.

The second part of analysis aimed at determining which groups/classes of age were significantly different from one others. This was done with Tukey-B’ test.

Table 5.2: Tukey B<sup>a,b</sup> Age/Intellectual Stimulation

<table>
<thead>
<tr>
<th>What is your age?</th>
<th>N</th>
<th>Subset for alpha = 0.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>60 years or older</td>
<td>6</td>
<td>1,6250</td>
</tr>
<tr>
<td>50 - 59 years</td>
<td>23</td>
<td>1,6848</td>
</tr>
<tr>
<td>30 - 39 years</td>
<td>28</td>
<td>1,7679</td>
</tr>
<tr>
<td>40 - 49 years</td>
<td>32</td>
<td>2,0234</td>
</tr>
<tr>
<td>up to 29 years</td>
<td>22</td>
<td>2,4659</td>
</tr>
</tbody>
</table>

Means for groups in homogeneous subsets are displayed.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

The result of the test over means relating to ‘Intellectual stimulation’ showed that Swedish non-managing audit staff which age is over 50 years old share the same
opinion about the frequency of enactment of ‘intellectual stimulation’ by their managers, as such for the non-managing audit staff which age is comprised between 30 and 49 years old. This opposes to the Swedish non-managing audit staff which age is up to 29 years since their perception of managers’ frequency of enactment of ‘intellectual stimulation’ in their leadership practice is not share by elder Swedish audit staff groups. However, it is important to specify that those three classes of ages –over 50; up to 29; 30-49- have a different opinion about the frequency of enactment of ‘intellectual stimulation’ by their managers.

In fact, Swedish audit staff which age is over 50 years old saw the lowest frequency of ‘intellectual stimulation’ whereas Swedish audit staff which age is up to 29 years old saw the highest frequency of ‘intellectual stimulation’ behavior in their managers’ leadership practice. Accordingly, Swedish audit team staff which age is comprised between 30 and 49 years old saw statistically significantly less ‘intellectual stimulation’ behavior in their managers’ leadership practice than Swedish audit team staff which age is up to 29 years old do.

| Table 5.3: Tukey B<sup>a,b</sup> Age/Contingent Rewards |
|---------------------------------------------|--------|--------------|
| What is your age? | N     | Subset for alpha = 0.05 |
| 60 years or older | 6     | 1,2083       |
| 50 - 59 years    | 23    | 1,4783       |
| 30 - 39 years    | 28    | 1,6518       |
| 40 - 49 years    | 32    | 2,0938       |
| up to 29 years   | 22    | 2,1591       |

Means for groups in homogeneous subsets are displayed.
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

The result of test over means relating to ‘contingent rewards’ demonstrated that Swedish audit staff which age goes from 50 years old to 59 years old and from 30 to 39 years old have a similar opinion about the frequency of enactment of ‘contingent rewards’ by their managers, as such for the Swedish audit staff which age goes from 40 to 49 years old and which age is up to 29 years old. This opposed to Swedish audit staff which age is over 60 years old since their opinion about the frequency of enactment of ‘contingent rewards’ in their managers’ leadership practice is not share by any younger Swedish audit staff groups. It is important to specify that the opinion of Swedish audit staff about the frequency of enactment of ‘contingent rewards’ by their managers is
statistically significantly different depending if individuals belongs to the class of age “up to 29 years old and 40-49 years old”; “over 60 years old”; or 50-59 and 30-39 years old.

In fact, Swedish audit staff which age is between 50 to 59 years old and from 30 to 39 years old saw statistically significantly higher frequency of enactment of ‘contingent rewards’ among their managers’ leadership practice than Swedish audit staff which is aged older than 60 years. However, the latter group saw low frequency of enactment of ‘contingent rewards’ in their managers’ leadership practice in comparison to Swedish audit staff which age goes from 40 to 49 years old and which age is up to 29 years old. However, Swedish audit staff which age is up to 29 years old were the ones seeing the more ‘contingent rewards’ behavior among their managers’ leadership practice, whereas Swedish audit staff which is older than 60 were the ones seeing the less ‘contingent rewards’ behaviors among their managers’ leadership practice.

<table>
<thead>
<tr>
<th>What is your age?</th>
<th>N</th>
<th>Subset for alpha = 0.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>60 years or older</td>
<td>6</td>
<td>1,1458</td>
</tr>
<tr>
<td>50 - 59 years</td>
<td>23</td>
<td>1,2609</td>
</tr>
<tr>
<td>30 - 39 years</td>
<td>28</td>
<td>1,5625</td>
</tr>
<tr>
<td>40 - 49 years</td>
<td>32</td>
<td>1,6758</td>
</tr>
<tr>
<td>up to 29 years</td>
<td>22</td>
<td>1,8125</td>
</tr>
</tbody>
</table>

Means for groups in homogeneous subsets are displayed.
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Then, the test according to means ‘transactional leadership’ and different classes of ages showed that Swedish audit staff which age goes from 30 years old to 59 years old share the same opinion about the frequency of enactment of ‘transactional leadership’ by their managers. However, this opinion statistically significantly differs from Swedish audit staff which age is up to 29 years old, which itself differs statistically significantly from the opinion of Swedish audit team which is older than 60 years old. Accordingly, Swedish audit staff which is older than 60 years old reported that the lowest frequency of ‘transactional leadership’ in their managers’ leadership practice, whereas Swedish audit staff which age is up to 29 years old is the group which individuals reported the highest frequency of ‘transactional leadership’ behavior in their managers’ leadership
practice. Additionally, Swedish audit staff which age goes from 30 years old to 59 years old saw more ‘transactional leadership’ behavior in their managers’ leadership than Swedish audit staff which is older than 60 years old.

**Respondents’ gender influenced the way they assessed their leader:**

*For this sub-part of the analysis, 111 cases were considered. Those cases correspond to the number of respondent, which filled out the criterion gender.*

<table>
<thead>
<tr>
<th>What is your gender?</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intellectual Stimulation</td>
<td>Man</td>
<td>31</td>
<td>2.0887</td>
<td>.84298</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>1.9031</td>
<td>.84709</td>
</tr>
<tr>
<td>Idealized Influences (Behaviors)</td>
<td>Man</td>
<td>31</td>
<td>1.8790</td>
<td>.78228</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>1.9031</td>
<td>.91272</td>
</tr>
<tr>
<td>Idealized Influences (Attributed)</td>
<td>Man</td>
<td>31</td>
<td>2.0645</td>
<td>1.03273</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>2.1750</td>
<td>1.17939</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>Man</td>
<td>31</td>
<td>2.2903</td>
<td>.71326</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>2.4250</td>
<td>1.07871</td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td>Man</td>
<td>31</td>
<td>1.9919</td>
<td>.81773</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>2.0969</td>
<td>1.19101</td>
</tr>
<tr>
<td>Contingent Rewards</td>
<td>Man</td>
<td>31</td>
<td>1.7742</td>
<td>.73131</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>1.8375</td>
<td>1.02431</td>
</tr>
<tr>
<td>Management by Exception Active</td>
<td>Man</td>
<td>31</td>
<td>1.6129</td>
<td>.99129</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>1.1781</td>
<td>.89052</td>
</tr>
<tr>
<td>Management by Exception Passive</td>
<td>Man</td>
<td>31</td>
<td>1.4839</td>
<td>.82648</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>1.3531</td>
<td>.89185</td>
</tr>
<tr>
<td>Laissez-Faire</td>
<td>Man</td>
<td>31</td>
<td>1.1613</td>
<td>1.03792</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>80</td>
<td>1.0656</td>
<td>1.00925</td>
</tr>
</tbody>
</table>

T-test analysis was carried out in order to find potential pattern of association between gender and each leadership composite sub-component. In reality, the T-test analysis is used to compare means and so, determines significant difference in mean values of different groups. From that information, we were able to conclude if different gender groups had a different opinion on the way they see their manager’s leadership practice. Furthermore, the difference was related to each concept of the FRL model in case different opinions did exist.
Table 6.2: T-Test analysis (gender)

<table>
<thead>
<tr>
<th></th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>t</td>
</tr>
<tr>
<td>Active management-by-exception</td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>2,235</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>2,131</td>
</tr>
</tbody>
</table>

The outcomes of this analysis featured that means relating to ‘active management-by-exception’ were significantly different depending if respondents were male or female. Accordingly, gender influenced the frequency to which ‘active management-by-exception’ was acknowledged among Swedish audit managers’ leadership practice. And subsequently, male saw more ‘active management-by-exception’ behavior in their respective managers (1.4839 +/- 0.82648) than women did (1.1781 +/- 0.89052).

**Respondents’ job position influenced the way they assessed their leader:**

*For this sub-part of the analysis, 111 cases were considered. Those cases correspond to the number of respondents, which filled out the criterion level of “job position” accurately.*

For this part of the analysis, we directly tested the null hypotheses about the fair distribution of each leadership composite mean values and each leadership composite sub-component mean values with the background variable ‘job position’ (cf. Appendix A). The result of this test featured such null hypotheses were significantly wrong about leadership composite sub-components ‘intellectual stimulation’ and ‘contingent rewards’ (“p<0.05”) and questionable with ‘idealized attributes’ (“p=0.05”). As a consequence, different job positions influenced the frequency to which the non-managing audit staff recognized ‘contingent rewards’; ‘intellectual stimulation’; and maybe ‘idealized attributes’ attitudes among their managers’ leadership practice. However in order to clearer explanation about the phenomenon, we carried out Tukey-B’s test. As explained earlier, Tukey-B’s test compares means and so, determines which groups are significantly different from one others.
This Tukey-B’s test featured that chartered accountants; auditing consultants and auditors shared the same opinion about the frequency of enactment of ‘intellectual stimulation’ by their manager. They claimed that their manager enact more often ‘intellectual stimulation’ than certified accounting consultant did. Though, auditing assistant are the ones that claimed that their manager enacted the more often ‘intellectual stimulation’ in comparison to chartered accountants; auditors; certified accounting consultants; and auditing consultants. In reality, certified accounting consultant saw the lowest frequency of enactment of ‘intellectual stimulation’ in their managers’ leadership practice.

Additionally, Tukey-B’s test featured that chartered accountants; auditing consultants and auditor assistants shared the same opinion about the frequency to which their managers enacted ‘idealized influences (attributes)’. However, this same opinion is not
shared by auditors; and certified accounting consultants. In fact, chartered accountants; auditing consultants and auditor assistants claimed that their managers enacted more frequently ‘idealized influences (attributes)’ in comparison to certified accounting consultants did. In fact, certified accounting consultants claimed the lowest frequency of ‘idealized influences (attributes)’ in their managers’ leadership practice, whereas auditors claimed the highest frequency of enactment of ‘idealized influences (attributes)’ in their managers’ leadership practice.

Table 7.1.3. Tukey B<sup>a,b</sup>: Contingent Rewards/ job title

<table>
<thead>
<tr>
<th>What is your title?</th>
<th>N</th>
<th>Subset for alpha = 0.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chartered Accountant (1)</td>
<td>5</td>
<td>1,1000</td>
</tr>
<tr>
<td>Certified Accounting Consultant (7)</td>
<td>10</td>
<td>1,3500</td>
</tr>
<tr>
<td>Auditing consultant (5)</td>
<td>62</td>
<td>1,7782</td>
</tr>
<tr>
<td>Auditor (3)</td>
<td>9</td>
<td>2,0000</td>
</tr>
<tr>
<td>Auditing assistant (4)</td>
<td>24</td>
<td>2,2292</td>
</tr>
</tbody>
</table>

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 10,663.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Then regarding to ‘contingent rewards’, Tukey-B’s test featured that certified accounting consultants; auditing consultants and auditors statistically significantly shared the same opinion about the frequency of enactment of ‘contingent rewards’ in their managers’ leadership practice. In fact, they claimed more enactment of ‘contingent rewards’ in their managers’ leadership practice than chartered accountants did. In fact, chartered accountant claimed the lowest frequency of ‘contingent rewards’ in their managers’ leadership practice, whereas auditing assistant claimed that their managers enacted the more often ‘contingent rewards’ in comparison to any other group.

**The size of structure from which belongs each respondent influenced the way they assessed their leader:**

For this sub-part of the analysis, 110 cases were considered (since 1 missing value). Those cases correspond to the number of respondents, which filled out the criterion level of “size of the organization” accurately.

This part of the analysis entailed one-way ANOVA test. One-way ANOVA test aims at testing null hypothesis. In this case, null hypotheses entail that there are no statistically
significant variations between means of different leadership composites and leadership sub-components according to different respondents’ respective firm size. In other terms, the frequency of enactment of a leadership composite or composite sub-component – featured by Swedish audit team managers’ leadership practice- does not depend on corresponding respondents’ respective firm size. The result of ANOVA analysis featured that variations of means relating to ‘active management-by-exception’; ‘laissez-faire’; and ‘passive/avoidant leadership’ were statistically significantly different (“p<0.05”) among different respondents’ respective firm size groups. As a consequence, the size of the firm had an impact on the frequency to which the non-managing audit staff recognized ‘laissez-faire’, ‘passive/avoidant leadership’ and ‘active management-by-exception’ attitudes among their managers. The result of ANOVA analysis is displayed in the tab below.

<table>
<thead>
<tr>
<th>Table 8.1. ANOVA (size of the Firm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sum of Squares</td>
</tr>
<tr>
<td>Management by Exception Active</td>
</tr>
<tr>
<td>Between Groups</td>
</tr>
<tr>
<td>Within Groups</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Laissez Faire</td>
</tr>
<tr>
<td>Between Groups</td>
</tr>
<tr>
<td>Within Groups</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Passive/Avoidant Leadership</td>
</tr>
<tr>
<td>Between Groups</td>
</tr>
<tr>
<td>Within Groups</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

In order to have clearer view of the phenomenon, Tukey-B’s test were secondly carried out since it compares means and so, determines which groups are significantly different from one others.

<table>
<thead>
<tr>
<th>Table 8.2.1. Tukey B*: Management-by-exception(active)/Firm Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Size</td>
</tr>
<tr>
<td>40 employees and more</td>
</tr>
<tr>
<td>2-9 employees</td>
</tr>
<tr>
<td>10-19 employees</td>
</tr>
<tr>
<td>20-39 employees</td>
</tr>
</tbody>
</table>

Means for groups in homogeneous subsets are displayed.
Regarding means from ‘active management-by-exception’ sub-component, individuals belonging to a firm size comprised between two and nineteen employees share the same opinion about the frequency of enactment of ‘active management-by-exception’ by their managers. In fact, they claimed that their managers enacted more often ‘active management-by-exception’ than respondents belonging to a firm size greater than forty employees did. In reality, respondents belonging to a firm size greater than forty employees reported the lowest frequency of ‘active management-by-exception’ in their managers leadership practice, whereas respondents belonging to a firm size comprised between 20 and 39 employees reported the highest frequency of enactment ‘active management-by-exception’ by their managers. Respondents belonging to a firm size comprised between 2 and 19 employees reported less ‘active management-by-exception’ in their managers’ leadership practice than respondents belonging to a firm size comprised between 20 and 39 employees.

Table 8.2.2 Tukey Bα: Laissez-Faire/Firm Size

<table>
<thead>
<tr>
<th>Firm Size</th>
<th>N</th>
<th>Subset for alpha = 0.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-9 employees</td>
<td>27</td>
<td>.6111</td>
</tr>
<tr>
<td>40 employees and more</td>
<td>12</td>
<td>.7292</td>
</tr>
<tr>
<td>10-19 employees</td>
<td>47</td>
<td>1.1649</td>
</tr>
<tr>
<td>20-39 employees</td>
<td>24</td>
<td>1.7188</td>
</tr>
</tbody>
</table>

Means for groups in homogeneous subsets are displayed.
a. Uses Harmonic Mean Sample Size = 21,821.
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

The analysis relating to ‘laissez-faire’ featured that respondents belonging to a firm which size is greater than forty employees and respondents belonging to firm which size is comprised between two to nine employees share statistically the same opinion about the frequency of enactment of ‘laissez-faire’ by their managers. In fact, they reported the lowest frequency of ‘laissez-faire’ in comparison to respondents belonging to a firm, which size is comprised between 10 and 19 employees and respondents belonging to a firm, which size is comprised between 20 and 39 employees. In reality, respondents belonging to a firm, which size is comprised between 20 and 39 employees reported the highest frequency of enactment of ‘laissez-faire’ by their managers in
comparison to any other group. Accordingly, they reported statistically significantly more ‘laissez-faire’ than respondents belonging to a firm, which size is comprised between 10 and 19 employees.

<table>
<thead>
<tr>
<th>Firm Size</th>
<th>N</th>
<th>Subset for alpha = 0.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-9 employees</td>
<td>27</td>
<td>.8889</td>
</tr>
<tr>
<td>40 employees</td>
<td>12</td>
<td>.9792</td>
</tr>
<tr>
<td>and more</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-19 employees</td>
<td>47</td>
<td>1.2713</td>
</tr>
<tr>
<td>20-39 employees</td>
<td>24</td>
<td>1.7083</td>
</tr>
</tbody>
</table>

Table 8.2.3 Tukey b<sup>a,b</sup>: Passive Avoidant Leadership /Firm Size

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 21,821.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Then, the analysis featured that regarding the frequency of enactment of ‘passive/avoidant leadership’, respondents belonging to a firm, which size is greater than forty employees and respondents belonging to a firm, which size is comprised between ten to nineteen, employees share the same opinion about the frequency of enactment of this leadership by managers. In fact, those respondents reported the lowest frequency ‘passive/avoidant leadership by their managers in comparison to any other group. This opposes to respondents which, firm size is comprised between 20 and 39 employees since they reported the highest frequency of enactment of ‘passive/avoidant leadership’ by their managers. Accordingly, respondents belonging to firm, which size is comprised between 20 and 39 employees reported statistically significantly more ‘passive/avoidant leadership’ in their managers’ leadership practice than respondents belonging to firm, which size is comprised between 10 and 29 employees.

Now that reasons of high variability of means were pointed out, we carried out correlation analysis in order to deepen analysis of the empirical situation. The point of this analysis was to put the light on which leadership concept(s) were made sense as similar or apart through Swedish audit team managers’ day-to-day practice of leadership.
5.3 Correlation analysis

An analysis of correlation over each FRL composite sub-component and one others were made in order to spot potential explanation of such display in the empirical world. In total, 110 cases or rather 110 respondents were considered. The results of correlation analysis are displayed in the tab below. Correlation is a value comprised between zero and 1 (Bryman and Bell 2011, p. 347). A weak positive correlation is said to have a value inferior to 0.5 whereas a positively high correlation is defined as having a value greater than 0.5. Accordingly, minus sign (-) before integers means that the correlation is negative.

<table>
<thead>
<tr>
<th></th>
<th>IS</th>
<th>II(B)</th>
<th>II(A)</th>
<th>IM</th>
<th>IC</th>
<th>CR</th>
<th>Mbe</th>
<th>MbE</th>
<th>TrnsF</th>
<th>TrnsC</th>
<th>P/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intellectual Stimulation</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idealized Influences (Behaviors)</td>
<td></td>
<td>.684**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Attribute)</td>
<td>(.000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td></td>
<td>.699**</td>
<td>.683**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Attribute)</td>
<td>(.000)</td>
<td>(.000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td></td>
<td>.705**</td>
<td>.691**</td>
<td>.833**</td>
<td>.730**</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>(Attribute)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingent Rewards</td>
<td></td>
<td>.692**</td>
<td>.750**</td>
<td>.743**</td>
<td>.738**</td>
<td>.748**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Attribute)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management by Exception Active</td>
<td></td>
<td>-.050</td>
<td>.167</td>
<td>-.199</td>
<td>-.062</td>
<td>-.204</td>
<td>-.035</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Attribute)</td>
<td>(.606)</td>
<td>(.081)</td>
<td>(.037)</td>
<td>(.517)</td>
<td>(.032)</td>
<td>(.717)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management by Exception Passive</td>
<td></td>
<td>-.387**</td>
<td>-.372**</td>
<td>-.592**</td>
<td>-.499**</td>
<td>-.533**</td>
<td>-.353**</td>
<td>.241*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Attribute)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.000)</td>
<td>(.011)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 9: Correlations
## Interpretations of correlations of leadership composite sub-components:

### ‘intellectual stimulation’

The analysis featured that ‘intellectual stimulation’ while being highly positively correlated with ‘idealized influences (behaviors and attributes)’; ‘inspirational motivation’; ‘individualized consideration’; and ‘contingent reward’ shows that those concepts were significantly alike in the Swedish audit team managers’ leadership practice. More, the ‘intellectual stimulation’ was significantly apart from ‘passive management-by-exception’ and ‘laissez-faire’ in practice. However, the apartness of ‘active management-by-exception’ with ‘intellectual stimulation’ is questionable according to the low statistical significance (“p=0.606”).

### ‘idealized influences (behaviors)’

In the Swedish audit team managers’ leadership practice, ‘idealized influences (behavior)’ is statistical significantly consistent with ‘idealized influences (attributes)’; ‘intellectual stimulation’; ‘individualized consideration’; ‘inspirational motivation’; and ‘contingent rewards’. ‘Idealized influences (behavior)’ may share some similarities with ‘active management-by-exception’. Though, this statement is questionable according to the low statistical significance (“p=0.81”). However, ‘idealized influences (behavior)’ is statistically significantly apart from each passive/avoidant leadership sub-component (laissez-faire and passive management-by-exception).

### ‘idealized influences (attributes)’

‘Idealized influences (attributes)’ is statistically significantly alike to ‘idealized influences (behaviors)’; ‘intellectual stimulation’; ‘inspirational motivation’; ‘individualized consideration’; and ‘contingent rewards’ through Swedish audit team’s leadership practice.

<table>
<thead>
<tr>
<th>Laissez Faire</th>
<th>Transformational Leadership</th>
<th>Transactional Leadership</th>
<th>Passive/Avoidant Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>-531</strong> (0.00)</td>
<td><strong>-454</strong> (0.00)</td>
<td><strong>-557</strong> (0.00)</td>
<td><strong>-511</strong> (0.00)</td>
</tr>
<tr>
<td><strong>-588</strong> (0.00)</td>
<td><strong>-486</strong> (0.00)</td>
<td><strong>-294</strong> (0.00)</td>
<td><strong>-636</strong> (0.00)</td>
</tr>
<tr>
<td><strong>-555</strong> (0.00)</td>
<td><strong>-634</strong> (0.00)</td>
<td><strong>-555</strong> (0.00)</td>
<td><strong>-634</strong> (0.00)</td>
</tr>
<tr>
<td><strong>-513</strong> (0.00)</td>
<td><strong>-459</strong> (0.00)</td>
<td><strong>-693</strong> (0.00)</td>
<td><strong>-559</strong> (0.00)</td>
</tr>
<tr>
<td><strong>-621</strong> (0.00)</td>
<td><strong>-469</strong> (0.00)</td>
<td><strong>-298</strong> (0.00)</td>
<td><strong>-889</strong> (0.00)</td>
</tr>
<tr>
<td><strong>-919</strong> (0.00)</td>
<td><strong>-660</strong> (0.00)</td>
<td><strong>-127</strong> (1.18)</td>
<td><strong>-127</strong> (1.18)</td>
</tr>
</tbody>
</table>

N=110. Upper row Correlation coefficients. Lower row level of significance. Significant correlations marked in bold. ** = Correlation is significant with p ≤ 0.01, * Correlation is significant with p≤0.05
managers leadership practice but statistically significantly apart from ‘active management-by-exception’; ‘passive management-by-exception’ and ‘laissez-faire’.

‘inspirational motivation’
The statistically significant high correlation value of ‘inspirational motivation’ with ‘idealized influences (behaviors and attributes)’; ‘intellectual stimulation’; ‘individualized consideration’ and ‘contingent rewards’ features that those concepts were seen as very similar according to Swedish audit team managers’ leadership practice whereas, ‘active management-by-exception’ is statistically significantly apart from ‘passive management-by-exception’ and ‘laissez-faire’ according to Swedish audit team managers’ leadership practice. The statement regarding the apartness of ‘active management-by-exception’ from ‘inspirational motivation’ is not enough statistically significant to draw conclusions: “p>0.05”. In fact, the apartness of those two concepts is highly questionable.

‘individualized consideration’
‘Individualized consideration’ is statistically significantly alike to ‘idealized influences (behaviors and attributes)’; ‘intellectual stimulation’; ‘inspirational motivation’; and ‘contingent reward’ according to Swedish audit team managers’ day-to-day leadership practice. However, ‘Individualized consideration’ is seen as apart from ‘active management-by-exception’; ‘passive management-by-exception’ and; ‘laissez-faire’ according to Swedish audit team managers’ leadership practice. The latter statements are reliable since “p<0.05”.

‘contingent rewards’
According to the high correlation values of ‘contingent rewards’ with ‘idealized influences (behaviors and attributes)’; ‘intellectual stimulation’; ‘inspirational motivation’ and ‘individualized consideration’ and high statistical significance values (“p<0.05”), we can draw conclusion that those concepts are made sense as very similar in Swedish audit team managers’ leadership practice. Plus, Swedish audit team managers’ leadership practice made sense of ‘contingent rewards’ as different concept from ‘passive management-by-exception’ and ‘laissez-faire’ concepts. However, no statistically reliable conclusion could be drawn about the fact that Swedish audit team managers’ leadership practice made sense of ‘contingent rewards’ as a concept apart from ‘active management-by-exception’ because of the low statistical significance (“p=0.717”).
‘active management-by-exception’
In Swedish audit team managers’ leadership practice, ‘active management-by-exception’ are weakly made sense/enacted as similar concept to ‘idealized influences (behaviors)’; ‘passive management-by-exception’; and ‘laissez-faire’. However, ‘active management-by-exception’ is enacted as a different concept from ‘contingent rewards’; ‘intellectual stimulation’; ‘idealized influences (attributes and behaviors)’; ‘inspirational motivation’; and ‘individualized consideration’. However according to statistical significance level, the probability that stated relations are true about ‘active management-by-exception’ and ‘intellectual stimulation’; ‘inspirational motivation’; and ‘contingent rewards’ is low since “p>0.05”. On the contrary of the probability that other stated relations are true since “p<0.05”.

‘passive management-by-exception’
In Swedish audit team managers’ leadership practice, ‘passive management-by-exception’ is statistically significantly different concept from ‘intellectual stimulation’; ‘idealized influences (attributes and behaviors)’; ‘inspirational motivation’; ‘individualized consideration’; and ‘contingent rewards’, but statistically significantly similar to ‘laissez-faire’. Though according to statistically significantly weak correlation value of ‘passive management-by-exception’ and ‘active management-by-exception’, there are a few overlaps between the two concepts in Swedish audit team managers’ leadership practice.

‘laissez-faire’
The statistically significant positive correlation value of ‘laissez-faire’ with ‘passive management-by-exception’ features that those concepts are highly similar whereas, the statistically significant positive but weak correlation value of ‘laissez-faire’ and with ‘active management-by-exception’ features that Swedish audit team managers’ leadership practice made some overlaps of the two stated concepts. However, ‘laissez-faire’ is statistically significantly apart from ‘intellectual stimulation’; ‘idealized influences (attributes and behaviors)”; ‘inspirational motivation”; ‘individualized consideration”; and ‘contingent rewards’ in Swedish audit team managers’ leadership practice.
**Interpretations of correlations of leadership composites:**

*‘transformational leadership’*

The high correlation of ‘transformational leadership’ with every sub-component of this leadership and one sub-component of the ‘transactional leadership’: ‘contingent rewards’ means that in the empirical world those concepts are statistically significantly pairwise/similar. However, the statistically significant negative correlation of ‘transformational leadership’ with every sub-component of the ‘passive/avoidant leadership’ means that ‘transformational leadership’ and ‘laissez-faire’ and ‘passive management-by-exception’ are totally opposite concepts in practice. In other words, it is does not measure the same thing. Though, it is important to notice that the weak statistical significance (“p=0.327”) related to negative correlation or rather the apartness of ‘transformational leadership’ and ‘active management-by-exception’ makes the latter statement questionable. Now considering correlation relationship of leadership macro-components, ‘transformational leadership’ while being statistically significantly and strongly positively correlated with ‘transactional leadership’ features that ‘transformational leadership’ and ‘transactional leadership’ was overlapping in Swedish audit team managers’ leadership practice. On the contrary of ‘transformational leadership’ and ‘passive/avoidant leadership’ which are seen as totally opposite according to high statistical significance value: “p<0.05”.

*‘transactional leadership’*

The statistically significant but weak positive correlation of ‘transactional leadership’ with ‘intellectual stimulation’; ‘idealized influences (attributes)’; ‘inspirational motivation’; ‘individualized consideration’ features that those latter concepts were not so similar to ‘transactional leadership’ but they shared similarities. However, the statistically significantly high positive correlation values of ‘transactional leadership’ with ‘idealized influences (behaviors)’; ‘contingent rewards’ and ‘active management-by-exception’ show that those latter concepts were seen as highly pairwise/similar though Swedish audit team managers’ leadership practice. Though, statements about the fact that ‘laissez-faire’ and ‘passive management-by-exception’ were seen as different concepts from ‘transactional leadership’ are questionable since not statistically significant: “p>0.05”. Accordingly, ‘transactional leadership’ while being statistically significantly and strongly correlated with ‘transformational leadership’ features that the practice of those two leadership styles was significantly overlapping in Swedish audit team managers’ leadership practice. In other terms, they are enacted/made sense as
similar. Furthermore, the statistically weak significance of the negative correlation of the ‘transactional leadership’ with ‘passive/avoidant leadership’ shows that the apartness of those two concepts was questionable.

Then, the statistically significant high positive correlation of ‘passive/avoidant leadership’ with every of its sub-components features that those components were undisputable related to the same type of behavior i.e. consistent with each others. Now regarding the statistically significant but weak positive correlation of ‘passive/avoidant leadership’ with ‘active management-by-exception’ shows that the two concepts were sharing similarities and so, seen/enacted as somewhat similar in practice. And, the statistically significant negative correlation of ‘passive/avoidant leadership’ with every other sub-component of the ‘transformational leadership’ and ‘contingent rewards’ (sub-component of ‘transactional leadership’) features that those concepts were seen/enacted as totally apart in the empirical world. Consequently, ‘passive/avoidant leadership’ is statistically significantly apart from ‘transformational leadership’. However, the apartness of ‘transactional leadership’ with ‘passive/avoidant leadership’ is questionable in Swedish audit team managers’ leadership practice since “p=0.186”.

6 Conclusion

6.1 Conclusive Discussion

The aim of the analyses was to first to assess the Swedish audit team managers’ leadership practice through the non-managing audit staff’s eyes. The assessment of leadership was made according to the Full-Range Leadership and its associated questionnaire (MLQ). From this assessment, Swedish team managers’ leadership profile was displayed and subjected to several analyses. Correspondingly, those analyses featured that empirical display of the Full-Range Leadership was not in line with the theoretical model. Indeed even if the ‘transformational leadership’ was the leadership style the most enacted by Swedish audit team managers (before the ‘transactional’ and ‘passive/avoidant leadership’) as theory suggests, further analyses featured that they did not ‘work’ the theoretical concept.
First, the in-depth analysis of each leadership style sub-components featured that Swedish audit team managers made use more frequently of the ‘inspirational motivation’ then the ‘idealized influences (attributes)’, ‘individualized consideration’; ‘intellectual stimulation’; ‘idealized influences (behaviors)’; ‘contingent rewards’; ‘passive management-by-exception’; ‘active management-by-exception’ and lastly ‘laissez-faire’, while according to the research validated norms ‘idealized influences (behaviors)’ was the first sub-component to use, then came ‘intellectual stimulation’; ‘inspirational motivation’; ‘individualized consideration’; ‘idealized influences (attributes)’; ‘contingent rewards’; ‘active management-by-exception’; ‘passive management-by-exception’; and lastly ‘laissez-faire’. Accordingly, we concluded that there was a distortion of the theoretical model of Full-Range Leadership according to Swedish audit team managers’ day-to-day practice of leadership in the frequency of enactment of each leadership sub-composite by Swedish audit team managers. Then, correlation analyses unveiled that Swedish audit team managers made sense/enacted each leadership style differently in comparison to theory.

Actually, the correlation analysis was made in order to understand the way they made sense of each leadership style and to find potential explanation about the frequency of enactment of each leadership style and leadership style sub-component. The analysis brought to light that ‘contingent rewards’ was significantly understood as the key to or rather the right concept to use for enacting ‘idealized influences (behaviors and attributes)’; ‘inspirational motivation’; and ‘individualized consideration’. Accordingly, those observations demonstrated that Swedish audit team managers significantly mixed up the theoretical concepts of transformational and transactional leadership in their day-to-day practice of leadership (through ‘contingent rewards’). However, it is important to remind that the apartness of ‘active management-by-exception’ from the ‘transformational leadership’ was not assured in the Swedish Audit team managers’ leadership practice because of the low statistical significance: “p>0.05”. In the addition to transformational-transactional leadership overlap, the correlation analysis also demonstrated some overlaps of the ‘passive/avoidant leadership’ and ‘transactional leadership’. In fact, when Swedish audit team managers enacted a ‘passive/avoidant leadership style’, they made sense of it through the use of ‘laissez-faire’; ‘passive management-by-exception’ but also partly with ‘active management-by-exception’.
Thus applying those statements to the earlier discussed frequency of enactment of each leadership composite and each leadership sub-component, higher frequency of enactment of ‘contingent rewards’ in comparison to the theoretical model could be caused by the overlap of the transformational and transactional leadership styles. More, the few overlaps of passive/avoidant leadership style with transactional leadership style caused by ‘active management-by-exception’ could explain its lower frequency of enactment by Swedish audit team managers in comparison to the frequency of enactment defined by the Full-Range Leadership theory.

From a theoretical perspective, such practical misconception of FRL theory could be explained by “Sweden from a cultural perspective”. In fact, referring back to Hofstede’s statement (2015): “Swedish take the edge that there should be no more rules than necessarily and rules that are ambiguous or do not work, should be changed or abandoned”. Correspondingly, we could for instance state that the reason of why ‘active management-by-exception’ was less enacted than ‘passive management by exception’ by Swedish audit team managers is that the former was seen as less effective than ‘passive management by exception’ within Swedish audit firms setting. Hence more generally speaking, we could state that Swedish audit team managers adapted the theoretical FRL model in order to make it fit with auditing needs and so, increasing firms and teams performance. Nevertheless as our inquiry did not entail any investigation on the outcomes of such leadership display in Swedish audit firms, no consistent answer can be given in this piece of research regarding the impact on performance. However consistent answer can be given on the fact that according to our study, the Full-Range Leadership is not as global as claimed, at least in the context of Swedish audit firms. However, it is important to remind that the findings of our study resulted from the gathering of non-managing audit staffs’ opinion and as expressed earlier, means analyses demonstrated high variability among non-managing audit staffs’ opinions.

By reason of significant variations of means, influences of background variables over the findings were investigated in accordance to the potential validity of ‘the implicit leadership theory’. The core belief of this theory is that each individual has its own understanding and preconceived beliefs and assumption about what constitute effective leaders’ characteristics and effective leadership. Hence, individuals would judge
leadership practice and leaders according to those beliefs and assumptions. This theory suggested that those preconceived beliefs and assumption directly arose from each individual’s characteristics such as age; gender; local culture; education; and job position. According to analyses on the empirical results and respondent’s characteristics and their respective firm size –study background variables-, we found out that individual’s characteristics did matter until a certain point. Indeed even if characteristics age; gender; job position; influenced the way Swedish audit staffs assessed their managers, the background variable “level of education” appeared to be in no wise influencing the way Swedish audit staffs assessed their managers at a confidence level of 0.95. However, respondents’ respective firm size did also matter in the way Swedish audit staffs assessed their managers.

6.2 Limitations of the findings

Despite of the reliability of the featured findings according to Cronbach’s alpha values, the findings of this research are suggested to limitations that are important to take into consideration. First, the low response rate (10% of the sample) cannot lead further than to a limited generalization of the findings in the Swedish audit firms context. Second, the selected research design and analyses made on the data do not prove any causality of the results i.e. the direction of the relationship. Then, the outcomes of this study only rely on the perception of the non-managing Swedish audit staffs. Accordingly, findings even if reliable cannot be taken as granted because as proven through the implicit leadership theory and analyses, each individual has its own perception of the ‘good’ and the ‘bad’, and so, its own understanding of situation.

6.3 Recommendations for further researches

As time constraint played a great role in this research, no re-test of the results were done. Consequently, we recommend further research to first re-test and so, confirm our findings in Swedish audit firms context. Another wise option would be to extend our study with different methods of research (e.g., face-to-face interviewing) and ‘studied objects’ (e.g., managers, audit supporting function staff). Then, further investigations on the empirical impact of such translation of the Full-Range Leadership model in Swedish audit firms would be an interesting subject of inquiry. In fact, this would more certainly help at making change and improvement in the sector since even if our research made
readers aware of the practical situation and so wide open the doors for reflection, no empirical proof of negative/positive impact are featured in this study. Then lately coupled or not with the latter suggested investigations, it could be interesting to investigate further on causality of the results through for instance an experimental research design and doing further researches aiming at generalizing findings to a worldwide span within Audit firms context.
References

**Written References:**


Harris, S. B. 2014. 'The Importance of Auditing and Audit Regulation to the Capital Markets’. March 20th, Washington DC [online]. Available at:


Oral References:

Appendices

Appendix A: Hypothesis Test Tab (Job Title)

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The distribution of Intellectual Stimulation is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
<td>.011</td>
<td>Reject the null hypothesis</td>
</tr>
<tr>
<td>The distribution of Idealized Influence (Behavior) is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
<td>.089</td>
<td>Retain the null hypothesis</td>
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<td>The distribution of Idealized Influence (Attributes) is the same across categories of What is your title?</td>
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<td>The distribution of Inspirational Motivation is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
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<td>Retain the null hypothesis</td>
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<td>The distribution of Individualized Consideration is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
<td>.005</td>
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</tr>
<tr>
<td>The distribution of Contingent Reward is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
<td>.024</td>
<td>Reject the null hypothesis</td>
</tr>
<tr>
<td>The distribution of Management Conversion Active is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
<td>.068</td>
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<tr>
<td>The distribution of Management Conversation Passive is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
<td>.862</td>
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<tr>
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<td>Independent Samples Kruskal-Wallis Test</td>
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<td>Independent Samples Kruskal-Wallis Test</td>
<td>.050</td>
<td>Retain the null hypothesis</td>
</tr>
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Asymptotic significances are displayed. The significance level is .05.

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<tr>
<th>Null Hypothesis</th>
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<th>Sig.</th>
<th>Decision</th>
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<td>Independent Samples Kruskal-Wallis Test</td>
<td>.954</td>
<td>Retain the null hypothesis</td>
</tr>
<tr>
<td>The distribution of Passive/Avoidant Leadership is the same across categories of What is your title?</td>
<td>Independent Samples Kruskal-Wallis Test</td>
<td>.911</td>
<td>Retain the null hypothesis</td>
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</table>

Asymptotic significances are displayed. The significance level is .05.
### Hypothesis Test Summary

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
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<tbody>
<tr>
<td>The distribution of intellectual stimulation is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
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<td>Retain the null hypothesis.</td>
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<tr>
<td>The distribution of idealized influence (Mentor) is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
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<td>The distribution of idealized influence (Distributor) is the same across categories of Level of Education University or not.</td>
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<tr>
<td>The distribution of inspirational influence (Role Model) is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
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<td>The distribution of individualized consideration is the same across categories of Level of Education University or not.</td>
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<td>.086</td>
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<td>The distribution of contingent reward is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
<td>.035</td>
<td>Retain the null hypothesis.</td>
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<td>The distribution of Management Support is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
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<td>Retain the null hypothesis.</td>
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<td>The distribution of Leadership is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
<td>.671</td>
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<td>The distribution of Transformational Leadership is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
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Asymptotic significances are displayed. The significance level is .05.

### Hypothesis Test Summary

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<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
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<td>The distribution of Participative Leadership is the same across categories of Level of Education University or not.</td>
<td>Independent Sample Mann-Whitney U Test</td>
<td>.434</td>
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Asymptotic significances are displayed. The significance level is .05.
## Appendix C: Corporate Financial Scandals involving audit firms (non-exhaustive)

<table>
<thead>
<tr>
<th>Country</th>
<th>Date</th>
<th>Company involved</th>
<th>Audit Firms involved</th>
<th>The fraud</th>
<th>Outcomes</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>1983</td>
<td>Carrian Group</td>
<td>Price Waterhouse</td>
<td>Auditor murder and financial misstatements</td>
<td>B</td>
<td>ICAC.org (unknown date)</td>
</tr>
<tr>
<td>USA</td>
<td>1992</td>
<td>Phar-Mor</td>
<td>Coopers &amp; Lybrand</td>
<td>Illegal funds transportation and falsification</td>
<td>B</td>
<td>Freudenheim 1992</td>
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<tr>
<td>USA</td>
<td>1994</td>
<td>Bankers Trust</td>
<td>Arthur Young</td>
<td>80 usd million dissimilated</td>
<td>T</td>
<td>O’Brien 1999</td>
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<tr>
<td>USA</td>
<td>1999</td>
<td>Waste management</td>
<td>Arthur Andersen</td>
<td>Financial misstatements</td>
<td>CEO change</td>
<td>SEC.gov 2002</td>
</tr>
<tr>
<td>Belgium</td>
<td>2000</td>
<td>Lernout &amp; Hauspie</td>
<td>KPMG</td>
<td>Fictitious transactions</td>
<td>B</td>
<td>Maremont et Al. 2000</td>
</tr>
<tr>
<td>USA</td>
<td>2000</td>
<td>Xerox</td>
<td>KPMG</td>
<td>Falsifying financial Results</td>
<td>Fines paid</td>
<td>Norris and Deutsch 2002</td>
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<tr>
<td>USA</td>
<td>2002</td>
<td>AOL</td>
<td>Ernst &amp; Young</td>
<td>Incomes overstatement</td>
<td>Fines paid</td>
<td>Vise 2004</td>
</tr>
<tr>
<td>Bermuda</td>
<td>2002</td>
<td>Global Crossing</td>
<td>Arthur Andersen</td>
<td>Incomes overstatement</td>
<td>Organizational restructuring after being close to B</td>
<td>Fabrikant and Romero 2002</td>
</tr>
<tr>
<td>USA</td>
<td>2002</td>
<td>Freddie Mac</td>
<td>PricewaterhouseCoopers</td>
<td>Incomes understatements</td>
<td>Fines paid, chairman change</td>
<td>Associated Press 2007</td>
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<tr>
<td>USA</td>
<td>2002</td>
<td>Mirant</td>
<td>KPMG</td>
<td>Assets and liabilities overstatement</td>
<td>Drastic restructuring then taken-over</td>
<td>The New York Times 2002</td>
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<tr>
<td>Italia</td>
<td>2003</td>
<td>Parmalat</td>
<td>Grant Thornton</td>
<td>Falsified financial statement</td>
<td>Top executives change and taken-over</td>
<td>Bloomberg Business 2004</td>
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<tr>
<td>Ireland</td>
<td>2008</td>
<td>Anglo Irish Bank</td>
<td>Ernst &amp; Young</td>
<td>Hidden incomes (loans)</td>
<td>Nationalization</td>
<td>Farrell 2008</td>
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<tr>
<td>India</td>
<td>2009</td>
<td>Satyam Comp. Services</td>
<td>PricewaterhouseCoopers</td>
<td>Falsifying accounts</td>
<td>Taken-over</td>
<td>Timmons and Wassener 2009</td>
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<td>USA</td>
<td>2010</td>
<td>Lehman Brothers</td>
<td>Ernst and Young</td>
<td>non reporting of transaction</td>
<td>B</td>
<td>Mollenkamp 2008</td>
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<tr>
<td>Portugal</td>
<td>2014</td>
<td>Banco Espirito Santo</td>
<td>KPMG</td>
<td>Severe Financial statements irregularities</td>
<td>Split of assets; ‘good’ asset were taken-over</td>
<td>Kowsmann et Al. 2014</td>
</tr>
</tbody>
</table>

*B = Bankruptcy  **T=Taken-over