
Leadership of Hidden Champions: From Vision to Communityship

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From Russia to Albania, Hidden Champion organizations (HCs) have many common features. Among these, as also argued in the original Hidden Champion work by Hermann Simon (1996, 2009), is the importance of leadership.

With few exceptions the narratives of these organizations attribute their beginnings and continuing success to visionary, passionate and expert leadership focused on building organizations of community. In this chapter these themes are followed in exploration of that ephemeral practice—leadership.

Drawing on national studies from Central and Eastern Europe (CEE), company descriptions, and interviews with CEOs, directors, and board members, this chapter explores the involved, social phenomena of leadership within HC's and identifies common leadership threads running through and across these organizations. We begin with the individuals running these companies—how they work from foundations of vision, passion and expert knowledge and provide continuity—before broadening the scope to consider the social nature of leadership as a cadre of people working together (Best 2011; Bolden 2011; Carroll et al. 2008; Crevani et al. 2010; Raelin 2011). Here we use Henry Mintzberg's (2009) concept of 'communityship' to discuss leadership not as something found in an individual, but rather as a social phenomena encompassing "...people's sense of belonging to and caring for something larger than themselves" (p. 140).

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1 Leadership of Vision, Passion and Expertise

1.1 Vision

What does vision or, more specifically, visionary leadership mean? A “guiding vision” is posited by cornerstone leadership thinkers, such as Warren Bennis (2009, p. 33), to be the first ingredient of leadership, and it remains the subject of ongoing debate in leadership studies (Bennis and Nanus 1985; Lesourd 1992; Maccoby 2003; Meindl 1998; Nanus 1992; Sashkin 1988; Stam et al. 2010; Tellis 2006; Westley and Mintzberg 1989). At the heart of this debate is a focus on the future: leadership as a practice that brings people together to achieve future goals and aspirations.

In its original meaning, dating from the late thirteenth century A.D., the term “vision” was defined as something perceived or seen in the imagination, often related to the supernatural or spiritual, such as religious visions. While in the context of leadership the spiritual angle has been sidelined, there is still a focus on what is envisioned. In essence, the base of visionary leadership is the ability to think about, plan and consciously participate in creating the future through imaginative skill. This is a hallmark of leadership practice in HC companies.

ESET LLC, an important player in the constantly evolving malware protection field, was established in 1992 by Trnka and Pasko. ESET was founded on a vision of secure, protected access to information and communication technologies (ICTs). ESET, whose NOD32 anti-virus software is considered a global benchmark, is based on the visionary work of its co-founders, who in 1987 discovered one of the first computer viruses. When they diagnosed this early virus, they went a step further to imagine the future ramifications of its existence. Predicting the increasing centrality of the emerging globally interconnected, digitized world, they anticipated the need for a new kind of security and protection. Throughout the development of ESET, Trnka and Pasko have worked to provide responsible and reliable solutions to constantly emerging malware issues for both home users and corporate customers. Not only was the original work visionary, the ongoing competitive advantage of ESET relies upon the ability to envision new threats and innovate to overcome them. Their work is not just anticipation but proactive adaption—constant thinking, planning, and consciously participating in creating the future.

As visionary leaders, Trnka and Pasko are an exceptional example. They were able to analyze their 1987 discovery, when information sharing was still accomplished primarily through telephone, snail-mail and faxing, and imagine how this would affect the world in the coming decades. They foresaw an opportunity that would benefit others and worked towards creating that opportunity. Today the company continues to work at the cutting edge of anti-malware, still envisioning what the future developments and ramifications will be. A leading ICT trade magazine, *CRN*, has recognized the technological vision and innovation of the company, identifying CEO Miroslav Trnka as one of the most innovative managers in the field.

While Trnka and Pasko's visionary leadership lies in the realm of digital safety, DOK-ING Ltd's founder Vjekoslav Majetić's visionary leadership lies within the realm of physical safety, working to deal with the scourge of land mines. A medium-sized Croatian enterprise, established by Majetić in 1991, DOK-ING produces anti-mine, fire-fighting and underground mining vehicles. Between 1991 and 1995, Croatia was embroiled in a war of independence. During the first decade of DOK-ING's operation, Majetić led the company's development of technology to safeguard the lives of Croatians against an estimated 2,000,000 unexploded land mines scattered across the country. Through this vision and the commitment of DOK-ING's employees, they developed an unmanned, remote controlled anti-mine vehicle (AMV). This highly successful AMV has since spread around the globe, saving lives in many countries.

Majetić's leadership began as a concern for those around him and threats to human life. This developed into a vision to advance the cause of a mine-free landscape and he demonstrated the will and courage to pursue this. Through DOK-ING his vision has created an opportunity to improve life in Croatia and around the world. In turn he was able to establish, maintain and grow a strong and successful organization.

Through the actions of Trnka, Pasko (ESET LLC) and Majetić (DOK-ING Ltd.) is evidence of the practice of visionary leadership. Their activities, like so many of the other founder-leaders of HC companies, show how these organizations, through imaginative and visionary skills, are constantly planning for a future that will create a better global environment and a healthy bottom. Trnka and Pasko were able to imagine the digitized world and anticipate the necessity for security in it. Majetić's experiences of war and its aftermath prompted him to imagine a safer and healthier future. He saw the opportunity to create a sustainable company that would better his community and other communities around the world.

Yet, the visionary actions of these leaders are just the top of the leadership iceberg. In addition to enacting a vision, the founders of ESET, DOK-ING and their fellow entrepreneurial leaders, follow a passion.

1.2 Passion

Passion and leadership have long been linked and the exploration of the relationship between the two has been discussed by many (Bennis 2009; Hall 2009; Loye 1977; Marques 2007; Peters and Austin 1985) and is central to leadership discussions around charisma (Bass 1985; Conger and Kanungo 1987), authenticity (Eriksen 2009) and aesthetics (Ladkin 2008). The first written evidence of the word "passion" comes from the twelfth century, initially meaning suffering and/or endurance. This original meaning is relevant to some aspects of leadership, but we discuss passion in the modern sense referring to love, enthusiasm and predilection for a certain pursuit. This understanding of passion, which developed in the seventeenth century, seems inexorably linked to leadership. For example, Warren Bennis (2009) writes:

The second basic ingredient of leadership is passion—the underlying passion for the promises of life, combined with a very particular passion for a vocation, a profession, a course of action. The leader loves what he or she does and loves doing it (p. 34).

There is something aesthetic about this description that invokes a sensory-emotional aura we sometimes feel emanating from leadership in action. This passion is infectious and inspiring; it spurs people into action. Yet this does not happen without struggle. Consider the following quote from entrepreneur Rok Uršič, founder and CEO of the Slovenian based company Instrumentation Technologies:

Entrepreneurship is about creating artwork. Like artists, we entrepreneurs also struggle with moments of stuckness, restlessness and relentlessness before coming to moments of clarity, followed by action and ending with culmination, funneled towards a period of serenity and rest. . . If you walk around our company, you can sense the passion employees have for the supremacy of technology. They are burning for Libera [an Instrumentation Technologies product].

One can feel Uršič's passion from these words, describing the artistry of what Instrumentation Technologies does. The work is about emotion, struggle and accomplishment, about desire and achievement. As he describes the company, notably referring to it as "ours" rather than "mine", one experiences his development of a passionate workforce who "burn" for what they are doing. This is true of many of the leaders and organizations involved in this study. These leaders do not only have a vision, but also a predilection, enthusiasm and love—a calling, a vocation. In many cases this emanates from impassioned hobbies and professional pursuits.

The Slovenian company Akrapovič produces bespoke exhaust systems for motorcycles. It was established in the 1990s by Igor Akrapovič, a former professional motorcycle racer. During his racing days he spotted a niche market for high-quality exhaust systems for the bikes that he was using; his passion was interrupted too often by poor quality exhausts that hampered engine performance and caused mid-race breakdowns. He began to develop custom-made titanium systems to remedy the problems he experienced. By leveraging his experience and expertise, he was able to turn his passion into an internationally successful company.

The high-flying Pipistrel, a Slovene-based company, arose from a similar passion. Pipistrel was set up in 1982 when flying enthusiast Ivo Boscarol and friends began experimenting with lightweight, private planes for personal use. In 1987 his passion for the individual, personal experience of flight led Pipistrel to become the first private aircraft producer in Yugoslavia. With some ups and downs, Boscarol piloted Pipistrel to a top international market position. In a recent interview he said "I am fortunate that my work is my hobby. I enjoy my work enormously".

The Latvian company Blue Microphones has been connecting with customers for almost 20 years. BLUE Microphones was founded on the musical passion of Martins Saulespurnens. Behind the iron curtain, Martins discovered jazz and fell in love with it. At a time when the art form fell afoul of Soviet censors, his passion drove him to seek out jazz lovers around the world who were willing to exchange

albums with him. In later years, this passion led him to study sound engineering and eventually become the director of sound recording at the Latvian Academy of Music. In 1988 Martins had the opportunity to travel to the United States, the birthplace of jazz, where he discovered a market for high-quality microphones. In Latvia Martins had access to a surplus of exceptional microphone and recording equipment that had been supplied to studios during the heyday of the Soviet Union. He began combining his passion with his knowledge to refurbish the equipment and sell it to the burgeoning markets outside Latvia. BLUE Microphones has by now become one of the most important and respected suppliers of top-notch microphones globally.

The passion, love, enthusiasm and drive of these individuals have fired their entrepreneurial spirit, leading them to see market opportunities for their unique products and services. With a strong vision, they have followed their passions to establish successful organizations that have become world leaders in their industries. The visionary passion with which they have pursued their work is palpable, inspiring and infectious. This was obvious to the researchers involved in this study. For example, Brkić and Berberović, who were looking into HCs in Bosnia and Herzegovina, noted:

During the data gathering process, and especially during the interviews, we noticed something very interesting. Besides the ambitions that are common to successful companies, one cannot fail to spot the passion that the interviewees had for their businesses. The reason that these companies are champions is not limited to a pursuit of regular profit and a success drive.

For the leaders of these HC organizations, vision and passion came across as central and common descriptors of leadership activity. However, in virtually all cases, vision and passion were accompanied by a high degree of expert knowledge.

1.3 Expert Knowledge

In each of the aforementioned organizations the individual leader has not only acted in a passionate and visionary manner, but has done so by leveraging a high level of personal expert knowledge. Igor Akrapovič used his experience and expert knowledge of racing and exhaust system construction, whereas Trnka and Pasko availed themselves of their expertise in ICTs and programming. Extraordinary successes are often linked to expert knowledge. Take for example Malcolm Gladwell's (2008) popular work *Outliers: The Story of Success*. In his analysis of success stories from Bill Gates to The Beatles, he argues that there is a "10,000-hour rule": exceptional success comes from exceptional knowledge gained from 10,000 or more hours of study, training and practice. Regarding leadership, this phenomenon is discussed at length in Gosling et al. (2012) *Key Concepts in Leadership*.

Although we cannot claim that the leadership discussed here strictly met the 10,000-hour rule, it is clear that the majority of cases involved significant expert knowledge gleaned from study, training and practice. In Russia, for example,

researchers found that most general directors of HCs graduated from some of the most prestigious Russian (Soviet) universities, specializing in engineering, mathematics and computer programming. In Serbia current or former professors and engineers founded many of the organizations. For example, DUOCHEM (a producer of high-quality rodenticides) was founded by Suren Husinec as a spin-off company, based on the results of his research and work as scientific advisor at the Institute of Chemistry, Technology and Metallurgy of the University of Belgrade. Similarly, in Hungary, the chemical company Cyclolab was founded by Professor Jozsef Szejtli. Szejtli, who was CEO and then honorary president until his death, was an internationally respected chemist, author or co-author of more than 250 scientific papers, wrote six books, and held more than 100 patents. Yet, it is not just knowledge from science and technology that has been leveraged to form HCs—recall the jazz aficionado Martins Saulespuren and his founding of BLUE Microphones.

Another striking example of expertise from the creative and cultural industries comes from Albania. Venice Art Mask, a company producing Venetian carnival masks, was founded on the vision, passion, expert knowledge and artistic skills of Edmond Angoni. Formerly a practicing veterinarian, he employed his artistic creativity and knowledge to set up a successful company exporting high quality carnival masks. Angoni's story is one of struggle and courage. During the collapse of Yugoslavia in 1991 he was forced to leave his family for Italy to seek better employment. The self-taught visual artist took a job at an Italian factory producing carnival masks. Over 2 years he honed his craft and knowledge of the business and returned to his native Albania in 1998 to start his own mask-producing firm. Like the scientists and engineers that we discussed earlier, Saulespuren and Angoni were able to leverage not just their passions and visions, but also their knowledge and skills, creating successful, internationally respected organizations in the creative and cultural industries.

Why is expert knowledge a key to success? In each case the expert knowledge gained by these individuals comes from a passion that they have for learning and doing something exceptionally well. In other words, their knowledge is an outgrowth of their predilection for a certain product, service, industry or purpose for doing business. In this sense, expert knowledge is part and parcel of passion. It is also very closely linked to vision. Without expert experience and knowledge, Akrapovič would never have discovered the niche market for high-quality exhaust systems, nor would Saulespuren or Trnka and Pasko have been able to develop BLUE Microphones or ESET. Expert knowledge goes beyond the nuts and bolts of a specific technology, product or service. It encompasses a whole industry with all its strengths and weaknesses and the existing or potential needs of current or future markets.

The final piece in this puzzle is the presence of the visionary leaders in all these cases, imbuing their staff with their own passions and visions for a significant period of time. Echoing the findings of Simon (1996, 2009), these organizations were successful in part because of the sustained continuity of leadership. The

leaders, upon whose vision, passion and knowledge the organizations were founded, remained (or still remain) a consistent, stabilizing force.

1.4 Leadership Continuity

Across the organizations that we have studied, the longevity of their leaders was a key component of success. In virtually all cases, the entrepreneurial founder (in the case of the start-ups), or the first CEO/director (in the case of formerly state-run enterprises) remained in a leadership role for many years, and many of them still hold the top position today. Very few organizations have experienced more than one change of top leadership, most have yet to go through a succession process. As reported by Dietl and Rant (2011), the aggregated average tenure of top leadership of the involved cases was 13.82 years, indicating significant leadership longevity.

These results are similar across most of the organizations studied. The Ukrainian Beer Company Group (UBC Group), founded in 1983, is still run by the original CEO Igor Gumenny and the original two vice presidents. Privatization of the Ukrainian company KSEZO (producer of electric welding equipment) was overseen by Yaroslav Ivanovych Mykytyn who has been with the company since the Soviet period. Mykytyn remains CEO of the company today.

How does this longevity contribute to the success of these organizations? Thinking back to the quote from Rok Uršič (of Instrumentation Technology, Slovenia) one senses that it is first of all a continuity of vision and passion. Longitudinal leadership offers a bird's eye view of the organization, its past, present and potential future. As Uršič indicated, long-term leaders can contextualize and manage the experiences of "struggle" and "moments of stuckness, restlessness and relentlessness" with "moments of clarity... and action". Working from a deeply seated passion they supply a stabilizing motivation, becoming repositories of the memories of the organization's struggles (Linde 2009; Te and Frank 2008) and serving as emblems of hope, achievement and vision. As such, they carry the history and vision of the organization forwards. Because of that, they are able to communicate the living history of the organization to followers, customers and the general public. As Brkić and Berberović noted in their interviews with Bosnian HC leaders, the power of their ability to narrate the past, present and future of their organizations is palpable. This puts long-term leaders in the unique position to understand, oversee and adapt the wider processes and structures of their companies.

However, despite the benefits of leadership continuity, long-term leaders are not necessarily a desired element. Founder-leaders often have a great deal of difficulty letting go of the organizations that they start, even amidst overwhelming evidence that their presence is having detrimental effects. Such individuals are at risk of "founder's syndrome" (Block and Rosenberg 2002; Linsky 2006; Mcnamara 1998). Within this syndrome a leader can dominate the organization to the point of excluding the ideas of other members, stifling group inputs, leading to hyper-centralized decision making. In such cases decisions may frequently be made too

quickly, without adequate influence from others. As this trend persists, the organization adopts a constantly reactive behaviour, rather than a proactive, strategic behaviour. This may eventually undermine the passionate vision of the founder and lead to a complete breakdown. Additionally, many organizations become inextricably linked to the identity of their founder-leaders. To employees, customers and the outside world, the founder may be seen *as* the company and the company *as* the founder. Without succession planning, such perceptions can cause the company to collapse if trust in the leadership is questioned, or if the founder retires or is unexpectedly incapacitated.

This issue is closely linked to the notion of “toxic leadership” (Goldman 2008; Kets de Vries 1989; Lipman-Blumen 2005; Pelletier 2010; Walton 2007). Leadership toxicity is often, though certainly not always, linked to long tenured leadership where a leader’s behavior becomes erratic, self-obsessed, and self-serving. This kind of toxicity often filters throughout the organization, creating a toxic culture (e.g. Enron).

As many of the companies involved in this study are still relatively young, leadership toxicity arising from disproportionate tenures is not as yet an overriding concern. However, succession planning is, or will soon be, a significant concern for virtually all of these organizations. In this study we have seen examples of organizations that have successfully dealt with the succession issue. Despite the leaders’ drive, passion and love for their organizations, their wisdom transpires also from their decisions to step down or step back from executive roles, often in favor of advisory roles. For example, in 2008 Transom Capital Group became the majority shareholder of BLUE Microphones as Martins stepped back to become chief engineer while his business partner stepped forward to become president. In other companies, such as Konti Hidroplast of Macedonia, the founding CEO has stepped aside to pass the leadership to a younger family member. Another two exemplary cases come from Slovenia. Studio Moderna, the leading multi-channel e-commerce and direct-to-consumer platform in CEE, was led by Sandi Češko from 1992 to 2007. In 2007 the Studio Moderna Group named Eivind Schackt CEO while Češko became Chairperson. In January 2009 Igor Akrapovič, referring back to the difficulties faced by the company in 2008, announced... “And today I am replacing myself. The new CEO of Akrapovič became Mr. Milos Deznak, ex-director of Johnson & Johnson for CEE” (excerpted from an interview with Melita Rant, 2011).

While these leaders had the vision, passion, knowledge and courage to take the lead in establishing or re-inventing their organizations, they also had the wisdom to know when their leadership had reached its end. They exhibited the courage to take a step back. It takes real courage and humility to realize that one’s leadership has reached its limits. This ability is perhaps the greatest act of leadership. It indicates a deep sensitivity to the needs of community members—the social group that creates leadership. Often referred to as followers, it is the members of an organization, a community of people working together, that grant leaders their leadership. In what follows we use Mintzberg’s concept of “communityship” to explore the social nature of leadership.

2 Leadership as Communityship

I've never really thought about it as "leadership". I just want to be a part of a great group of people that work hard and are contented.

—Xhevit Hysenaj, Founder and CEO of Xherdo Ltd, Albania

How does this statement relate to the concept of leadership? This man is the founding CEO of a successful company. Most people would doubtlessly see him as a leader. Yet, he himself has never considered his work leadership. This insight needs to be contextualized in the wider discussion in this chapter. So far the stories of successful organizations have been told in terms of the actions of single individuals, the *de facto* leaders. However, one of these individuals says plainly that he was not motivated by "leadership" but by being "part of a great group of people that work hard and are contented". In other words, he was never interested in being a leader, but wished to be part of an engaged and rewarding community.

There is a danger in looking for leadership in an individual. Such a viewpoint misses the subtle, dynamic, contextual and ultimately social nature of leadership. Leadership is not reducible to the actions or behaviors of a single person. It is a social activity negotiated between members of a group, and is often a highly ephemeral and illusive phenomenon (Alvesson and Sveningsson 2003). Leadership thinkers and researchers worldwide have come to focus on the wider social contexts that make leadership possible, recognizing that leadership is an emergent property of social systems, not single individuals (Best 2011; Carroll et al. 2008; Crevani et al. 2010; Pearce and Conger 2002; Raelin 2003, 2011; Spillane et al. 2004). To do otherwise is to undermine the social aspects and fail to see that what ultimately drives leadership is a community of people organizing to do things together. Until recently the idea of the social element was lacking in leadership research and the concept of "community" was largely absent from the annals of management and leadership studies. As Mintzberg (2009) has claimed:

Beneath the current economic crisis lies another crisis of far greater proportions: the depreciation in companies of community—people's sense of belonging to and caring for something larger than themselves (p. 140)

The focus on, and popular belief in, the single leader, and indeed the focus of this chapter up to now, bespeaks Western hyper-individualism which, though having its benefits, is detrimental. Organizations, be they large or small, private or public, profit or not-for-profit, exist because people come together to accomplish things that they could not achieve alone. People work and are impassioned by being part of something bigger than their individual selves. Across the research on HCs the evidence points not so much to "depreciation in companies of community", but rather to an abundance of community. Moreover, the leadership of people like Xhevit Hysenaj (quoted above) evidences a focus on communityship. Mintzberg, who can be credited with adding the term to the management and leadership lexicons, describes communityship as being part of communities of practice. Leadership attends to the work (the practice), the members (the employees), and wider contexts, such as neighbourhoods, towns and countries.

Many of the organizations involved in this study exemplify these characteristics and many of the leaders are intently focused on being community organizers. But what is it in these organizations that creates this sense of community? How do people come to feel that they are contributing to something meaningful and more pervasive than themselves? The answers are actually quite obvious and direct: member respect, member investment and culture.

2.1 Member Respect

“We consider each other [as] family. Employees of the company are one of the basic factors of success. . . In 15 years no worker has left the workplace. They have grown together with the business”.

—Edmond Angoni, Founder Venice Art Mask, Albania

“We consider each other [as] family”. This statement speaks volumes of the kind of communityship exemplified by leaders such as Edmond Angoni. These leaders do not see employees as commodities or human resources. They are *human beings*, not nameless cogs in a wheel or assets to be exploited or disposed of when no longer useful. They are not even treated as followers or employees. They are respected members. At Hidria, a Slovenian company that operates in the automotive and climate control systems industry, one will hear Iztok Seljak, President of the Management Board, speak of concern for colleagues rather than employees, regardless of their status in the organizational hierarchy. In Mare Adriatic, an Albanian seafood company located in the small coastal community of Shelqet, Mark Babani and his wife Drande stress the flat, democratic structure of their business. They describe a familial concern and desire to help their employees. They value open communication and interactional teamwork. Furthermore their view of communityship does not stop at the doors of their business; they are committed to being responsible members of the wider Shelqet community.

In ACE Enterprise, a Slovak company producing information and measurement systems for utility companies, founder, owner and director Alexander Cimbak focuses on eliminating physical and psychological borders between himself, the managers and the general employees. He seeks to be part of an organization that values and invests in all of its members. At ACE Enterprise the wider community of employee’ is encouraged to participate in management decision making processes. Like Mare Adriatic, ACE is actively involved in the wider community, particularly in cooperation with universities. Their role involves encouraging, supporting and hiring young students from the Slovak Republic and abroad. In each of these organizations, and many others, there is a profound amount of respect, care and concern for all company members. These are not organizations with isolated leaders who undermine the employees’ sense of community by envisioning their leadership as a one-man show, no matter how passionate, visionary, expert, or long-term it is. After all, for leadership to exist and for it to be passionate, visionary, expert and continuous, it has to be recognized as such by a community of individuals who create, support and maintain it. In these organizations, “family”, “colleagues”, and

“open borders” are not just slogans. Their leaders must walk the talk of communityship by investing and re-investing in the development of the community and its members.

2.2 Member Investment

In the context of ‘community’ leadership, actions speak louder than words. In particular, community-oriented leaders are investing time, financial resources and effort in helping others develop. This investment pays great dividends for both the community and the employees. In the Serbian software development company EXECOM the managing partners focus on investing in youth development. This is also the case in Serbia’s RT-RK Computer Based Systems, an ICT company, that invests heavily in the professional education of current and future employees. For example, RT-RK funds 35 scholarships at the University of Novi Sad.

These are not isolated examples, Mare Adriatic (Albania), ACE Enterprise (Slovakia) and Mikrosam AD (Republic of Macedonia), a composites manufacturing company, invest heavily in education and facilitates partnerships with local universities. Through the investment in education and other growth opportunities for employees and partnerships with the wider community, these companies put their words of respect, value and family membership into action. As Venice Art Mask’s Angoni said “They have grown together, with their wider community”. These kinds of community-oriented organizations exemplify engaging company cultures, a quality that ranks highly in the communityship activity of their CEOs.

2.3 Community Culture

Organizational culture (or corporate culture) has been, and still is, a significant focus for researchers and practitioners (Alvesson 1992; Ashkanasy 2011; Denison 1990; Frost 1991; Schein 1999). Organizational culture is intrinsically linked to organizational leadership and is a key aspect of leadership practice and the leadership literature (Argyris 2010; Schein 2010). Successful companies around the world make developing and maintaining an engaging culture a leadership priority.

At ACE Enterprises (Slovakia), Alexandar Cimbalk described his desire for employees to experience work as fun, as if it were a hobby. At EXECOM (Serbia), Petar Ulić described the need for all members to feel that they work in a challenging and motivating environment where everybody can achieve something. At Hidria (Slovenia), there is a focus on collegiality while at the Ukraine Beer Company, CEO Igo Gumenny is concerned with having an organization that is creative and enthusiastic, and exudes a strong and unique cultural identity. By respecting employees and investing in them, the communityful leadership of many of these organizations creates cultures that are enjoyable, exciting, rewarding and impassioned. Rok Uršič of Instrumentation Technologies (Slovenia) states...

“We see ourselves as passionate designers of innovative solutions. . . If you walk around our company you can sense the employees’ passion”.

Throughout our discussion of leaders of passion and vision, a leader’s qualities were described as an ability to instill motivation and create organizational development. These leaders have a collectivist vision:

A company without a compelling culture is like a person without a personality—flesh and bones but no life force, no soul. Organizations function best when committed people work in cooperative relationships based on respect. (Mintzberg 2009, p. 142)

The leaders discussed so far exhibit a member-oriented leadership style representing communityship in action. Yet, this is only half the story. Some of these companies play a strong role in the wider communities of local neighbourhoods, towns, or countries. Thus, communityship extends beyond the physical and psychological boundaries of company offices and buildings. These are organizations that focus not only on creating an internal community, but on being integral parts of external communities.

2.4 Communities of Customers

For many of these companies, the family-oriented view of the organization expands outwards to include customers and the wider communities that the organizations are nested within. For example, the CEO of the Russian firm Luxoft describes the company’s mission and vision as follows:

Long-term partnerships are Luxoft’s genuine philosophy and one of our core values. As your partner, we will bring passion for excellence, open and honest communication, and a proven track record of success.

We believe that this organizational culture of customer orientation, passion, excellence, and open and honest communication, is not just marketing lingo or a way to achieve good public relations. As these organizations do invest in community members, their actions speak louder than their words. Reminiscing on his company’s history and current activities, Igor Akrapovič indicated that their designs for better motorcycle exhaust systems hinged on communication between the company and its clients. Similarly Rok Uršič spoke of communal relationships during Instrumentation Technologies’ development: “On the way here we needed to go through many in-depth conversations with our clients, from whom we learnt the most”. Here you can feel the coming together of multiple communities within the collective, rather than an individualistic, closed environment. The same can be said of many other organizations such as the Macedonian concrete admixture company Ading AD or the Slovenian luxury boat manufacturer and nautical consultancy firm Seaway Group that have long focused on reciprocal feedback from clients. In this instance, communityship is focused on customers and clients as more than sources of revenue. They are valued family members from whom the

organizations learn important lessons and with whom they build history and cohesion.

There is one final aspect of the community-sensitive leadership of these HC organizations. It is perhaps the most important as it brings together the ideas of vision, passion, knowledge and continuity of leadership with the ideas and practices of holistic communityship. While the commitment, motivation and passion of these organizations can be seen as emanating from becoming a part of communities larger than themselves, there is an even larger context. For many of these leaders their work is part of something much more than even the totality of their organizations and customer bases. Their work is directed towards creating a better world for themselves, their employees and those external to the organization. This view to “communityful” leadership—working for the betterment of all—is the essence of holistic communityship.

2.5 Holistic Communityship

I can feel successful only if I am acting responsibly towards people, the environment and society. This is the core of my business success.

—Mr. Jakulin, CEO and co-founder of Atech Elektronika, Slovenia

Atech Elektronika (electronics design and manufacturing) CEO Mr. Jakulin highlights the holistic, socially responsible views that many of these leaders operate with and orient towards. They see their work as contributing to something outside themselves, their organizations and their local communities. They work for more general economic and social benefit. This is also seen in the cooperative partnerships and post-secondary education investments of companies such as RT-RK CBS (Serbia) and ACE Enterprises (Slovakia). It is a prominent feature of the visionary, compassionate anti-landmine work of Vjekoslav Majetić and DOKING.

Some of the clearest examples of this type of leadership come from Albania. Venice Art Mask’s Edward Angoni returned to his native country from Italy to establish a new arts organization that provides meaningful work and socio-economic development to his small home city of Shkodra. In a nearby, isolated, mountainous region is the small town of Bajram Curri, home to Raiz Jahaj and the company AMLA, involved in chestnut harvesting and distribution. While AMLA has become a successful exporter of the unique, high-quality chestnuts from this region of Albania, improving his local community, culture, region and environment drives the work of Jahaj. He is motivated to combat local poverty, improve the working conditions of local harvesters, preserve a traditional agricultural pursuit and its culture, and contribute to the sustainable management of the region’s forests. In his words: “It is our duty as businessmen to contribute somehow to the development of our local area”.

Along the central coast of Albania, in the city of Dures, Xherdo Founder and CEO Xhevit Hysenaj understands that his work is about contributing in a similar manner. Active in the essential oils business since 1991, he runs Xherdo with social

responsibility at the fore. Hysenaj is worried about the over-exploitation of Albania's natural resources, particularly the herbs and plants that supply his industry, and the use of inappropriate harvesting techniques that damage the environment. Xherdo is acutely aware of the well-being of the primary harvesters, many of whom are disadvantaged, elderly women. He is passionate and dedicated to his work. He understands that it is part of much wider social realities that have a long history and extend into the future: "I am in love with the field I have selected. . . I walked in the path of my ancestors. . . I am now working for my successors".

In the Baltic States a number of organizations are firmly grounded in holistic communityship and operate on social entrepreneurship models. One could describe these as beautiful organizations because of their concern for, and development of, the world in which we all live. Lotte Tisenkopfa-Iltner, CEO of MADARA Cosmetics Ltd, producing high-quality, ecologically sound skin care products, has situated her business in the steadily growing green lifestyle movement. The Latvian social entrepreneurship company MAMMU started operations in 2010. It provides disadvantaged young mothers with opportunities to earn much-needed money to support themselves and their young families. The company creates a community of mothers, top fashion designers and photographers to produce eco-friendly sustainable products such as scarves. This initiative has inspired a growing global social media movement in social entrepreneurship.

Originating from Estonia in 2008, "Let's Do It" is a social network whose goal is to clean the planet and improve the quality of life for all. "Let's Do It" is an organization that defies many of the taken-for-granted assumptions of what an organization is, and certainly challenges the characteristics of a HC. It is a not-for-profit organization that has no physical footprint and is not led by a particular person or even a definable group of people. Its first activity was the bringing together of 50,000 people to clean up 10,000 tons of illegal garbage in 5 h. Today the organization is a socially networked community with more than 2,000,000 active members from Estonia, Latvia, Lithuania, Portugal, India, Slovenia, Serbia, Finland, Romania, Bulgaria, Moldova, Ukraine, Cambodia, Russia, Hungary and Brazil.

MADARA Cosmetics Ltd., MAMMU and "Let's Do It" can be classified in the category of potential HCs of CEE. As start-ups they exhibit great promise. As they develop into champions of the future, they exemplify emerging twenty-first century leadership trends. They are driven by socially, economically, culturally and environmentally sound ideas that are shared around the globe through networked communities.

In each of these examples, from the anti land-mine technology of DOKING to the socially responsible motivations of Albanian leaders, or the social entrepreneurship emanating from the Baltics, the work of HC organizations is influential. Socially, economically, culturally, environmentally, and temporally driven, this kind of orientation cultivates responsible, motivated, committed and impassioned followership. This manner of leadership is full of vision, passion, and expert knowledge and is focused on communities.

3 Concluding Remarks

Throughout the cases of these HCs, leadership was a central and important driver of organizational success. In this chapter leadership was considered from two interrelated viewpoints: (i) the individual founder-leaders and; (ii) the social nature of leadership involving communities of members and stakeholders. We began by highlighting the themes of vision, passion, expert knowledge and continuity.

Visionary leaders, such as Trnka and Pasko of ESET LLC., and Majetić of DOK-ING Ltd., lead through their ability to visualize and plan for the future through imaginative skill; of seeing a potential future and mobilizing an organization to meet or achieve that potential.

Across the leadership of the companies that have been studied, vision was always accompanied by passion—a love, an enthusiasm and a predilection for a certain pursuit. Uršič of Instrumentation Technologies, Akrapovič of Akrapovič, Boscarol of Pipistrel and Saulesspurens of BLUE Microphones embodied a passion for their business whether it was innovative particle accelerators, exhaust systems for motorcycles, personal planes or the world's best quality microphones. They led from a passion to be the best in their respective industries. In many cases these leaders turned earlier professional work or hobbies into world leading businesses. Their entrepreneurial spirit and courage is inspiring and contagious, spreading throughout their growing organizations.

However, vision and passion are not enough to grow a successful company. In virtually every case study, the leadership of these HCs was fed by expert knowledge. Whether it was expertise in the natural sciences, such as chemistry (DUOCHEM) or physics (Instrumentation Technologies), or in the fine arts (BLUE Microphones; Venice Art Mask), all leaders are experts. Closely linked with passion and vision, this expertise has allowed these leaders to work with what they love and see immense market opportunities that were hidden to others.

The final key point of the individual leadership focus is continuity. These organizations have been, or still are, led by their founder-leaders. This has provided stability and stamina and kept the fires of vision and passion alive. Each of these individuals serves not only an executive role, but as a repository of organizational knowledge and memory. However, herein lies the greatest danger of HC leadership. As these relatively young companies mature, they are in danger of falling afoul of the founder-syndrome, devolving into leadership and organizational toxicity. A key challenge for most of these companies will be succession planning. Central to this is maintaining a leadership of humility, a leadership in tune with organizational and contextual changes and limitations in relation to others, the wider organization and its future needs. A leadership of humility is one seeded with the courage to recognize the possibility that others may have more relevant knowledge and skills to take the lead in the future.

Widening the perspective to the social phenomena the leadership discussed throughout this chapter is focused upon, and sensitive to, what has been described as communityship. One of the essential elements of the success of these organizations has been a leadership not just of vision, passion, expertise and

continuity, but a leadership that creates environments where people feel they belong to and care for something larger than themselves. They are, to further borrow from Mintzberg (2009), companies with compelling cultures of community. More than mere flesh and bones, they have a life force and soul and are imbued with personality and zeal.

As communityship, the leadership in these organizations develops member respect, the valuing of all members, and the investment in organizational development through the development of all involved. These are companies of great community culture, yet not just internally. What has been created in many of these organizations is a shared understanding that they are part of systems—whether local, regional, national or international—that are greater and more pervasive than the organizations themselves.

In the final estimation, there is much hope in the leadership of these companies. A leadership full of vision, passion, expertise and focused upon the betterment of all organizational members and wider stakeholders is, one hopes, not a hidden practice, but the championed practice of leadership for the twenty-first century.

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