Methodologies Used in Researching Integration Challenges of EU Rail Industry in Formation of a Single European Rail Area: Grounded Elite Interviews with Leaders Involved.

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Abstract

The focus of this article is on the methodology used in my PhD research, the constructivist grounded theory in elite interviews, why and how it was chosen, advantages and issues of using it, painting it as a spiral around a pyramid. My research is about the challenges of the EU rail industry integration as seen and told by the involved actors. The integration process requires leadership in the multi-level governance context of the EU in its transition from state monopolies to businesses providing services on the integrated market. This is firstly a good source of theoretically and practically relevant research questions; and secondly rigorous grounded research methodologies will bring insight that will go beyond the currently accepted formal and public statements about the phenomena. My work is situated within a social constructionist ontology, enacted through a rigorous grounded theory approach to understanding the current challenges of the industry and seeking more effective developments for the future. First findings put the concepts of leadership and debt into a relationship that could offer profound understanding of certain social relations. They are mentioned in this paper as reflections on the methodological process.

Introduction

My presentation focuses on the methodology used in my PhD research, reasons for choosing constructivist grounded theory in elite interviews, advantages and issues with using it and the draft outcomes after the elite interviews were performed. I write about my experiences with using elite interviews sharing experiences (Berry, 2002) on the issues of the validity and
reliability of open-ended elite interviewing. The emphasis is on socially constructed organizational realities and the importance of multiple perspectives (Kezar, 2003), where the goal of triangulation is to provide a parallax view upon events (Davies, 2001). I use constructionist grounded theory (Charmaz, 2008) taking fundamentals from Corbin & Strauss (1990), guided by the characteristics of critical realism (Kempster & Parry, 2011). I would like to argue that the two approaches, elite interviews and constructionist grounded theory, cannot be separated from each other in the context of actual research and thus name the joint approach as constructionist grounded theory in elite interviews.

As a practitioner entering the field of research I cannot escape the questions about rigor and relevancy. It is the answer about academic rigor that seems less ambiguous to me at this stage of my research, whereas the relevancy question is the one that still troubles me. The key question that I always let stand in front of me is to whom research is or should be relevant. To the academic theories, or to the daily life of practitioners in leading businesses or to policy making for political leaders? But in answering these dilemmas I would rather turn the question around and ask whether creative research can exist without relevancy driving creativity and rigor that grounds it in research. Relevancy of any kind, theoretical, practical and political, stirs the innovative mind to pose interesting research questions and the rigor of research gives its outcomes the relevancy of insight. This supports the proposal that grounded theory can bridge the relevance-rigor gap (Kempster & Parry, 2011) by placing emphasis on the contextual understanding of the social processes of leadership and leadership development.

The structure of the paper is tied to the research approach and reflects the continuous dialog of the researcher with the interviewees, the informing literature and the context. The following section is a short description of the phenomenon of a single European transport area. Follows a section on my involvement in the phenomenon and my worldview that impacts the research methodology. Next is a section on the informing theories studied by me before the interviews were performed and that I related to during the interviews later on. Then there is a section about constructionist grounded theory in elite interviews that is the methodological base for my approach to study the phenomenon, reasons for choosing it, experiences and issues with using it and a discussion of the roles of the interviewees and myself as a researcher in theory building. It is followed by a section on incremental literature
review of informing theories studied while the interviews were in progress already and I finish with first outcomes of the research to reflect on the methodological process.

The creation of a single European transport area

To begin with it is essential to understand the broad parameters of EU rail organizations through a brief overview of the industry. The EU rail industry is an infrastructure heavy industry which has failed to integrate to the extent of other industries like telecom, energy and banking. To understand the issues of integration I use leadership and multi-level governance theories as the key informing theories. This gives at the disposal to scholars an industry that is rich on empirical data to apply and study leadership and thus give such research theoretical and practical relevance. My research is focused on the issues in the multilevel governance, three tier structure in which the EU rail industry is situated, that of: company boards, national states and the supranational legislative and regulatory bodies.

Rail organizations are in the midst of their transition from public services to state owned enterprises and in some cases even to privately held corporations while the rail infrastructure remains strictly in the domain of EU member states (CER, 2011). The phenomenon of research is the rail industry in the EU which is underdeveloped and un-integrated in providing competitive services to passenger and cargo transport within and especially across member state borders. In this political and economic context and in spite of all of the environmental efforts in EU the rail industry is lagging behind developments when compared to other jurisdictions such as China and the US. “During the 1950s the share of freight carried by railroads was similar (over 50%) and declining in both the United States and Europe. By 2000 the railroads’ share of freight (measured in ton-kilometers) had reached 38 percent in the United States while falling to 8 percent in Europe.” (Vassallo & Fagan, 2005:2). Not much has changed over the last decade.

Rail organizations historically started in the UK during the 19th century and have gradually spread to the European continent and then to the rest of the world (Tanel, 2007). Initially these were entrepreneurial private enterprises. Because of the immense costs of a denser infrastructure they were later nationalized, and were run as public services in most of the
world organized as parts of transport or infrastructure ministries. Gradually they reorganized into state owned enterprises in more and more countries, including in the EU member states. Some rail organizations were privatized (Cumbers & Farrington, 2000; Ishida & East, 2007) and there are examples of new private startups lately. Many of them are extremely operationally and financially successful. There are around 20 publicly traded on stock exchanges in the US, some of which are very successful (Posner, 2008). In EU only a few rail companies are publicly traded on EU stock exchanges with some that worked hard on becoming publicly traded but failed to do so (Stielike, 2009). The only distinction from the point of view of ownership between a public service run by a state owned enterprise and a publicly traded enterprise running the same service is that the owners of the first are private individuals because of the fact that they are citizens of a state, whereas the owners of the second are private individuals or funds because they have voluntarily chosen to be that as shareholders (Dewenter & Malatesta, 2008). But this already implies many differences in influencing and leading (Maccarthaigh, 2010). Also marketing strategies seem to differ between private and state owned enterprises since they react to various noneconomic pressures, like ecology or certain social services, and set objectives accordingly (Capon, 1981).

The response to the integration issues of the formation of a Single European Rail Area were EU directives in the form of packages of legislative measures. Named The First Railway Package, which was adopted by the European Commission in 2001, followed by the Second in 2004 and the Third in 2007 were adopted to promote market opening, product innovation and service quality, improved performance, interoperability between national networks and safety of a sustainable, well integrated and efficient rail system for passenger and freight transport. Some cases of policy implementation have been published (Barea, Dizy & Ruiz, 2007). A newly published Transport White Paper in 2011 by the European Commission sets out the EU transport policy for the next ten years including perspectives up to 2050 as a vision of a competitive and resource-efficient transport system with particular targets for the decarbonisation of the transport industry and the establishment of a single European transport area published by the EU Commission in 2012 and the response of Community of European Railway and Infrastructure Companies (CER):
“We now call upon European decision makers to not only endorse these goals but to also introduce the right measures and policy instruments.; The publication of the Fourth Railway Package, the TEN-T guidelines and the Connecting European Facility, and carry on drawing attention to the rail industry's crucial situation in Central and Eastern Europe.” (CER, 2011: 1).

As this quote indicates, there is a desire and an outright call for an integration of the rail system, yet the industry struggles to meet this challenge. Moreover, the call is directed at leadership within the system: “We now call upon European decision makers...”. This has focused my research towards looking at the constraints and enablers within the industry for those in leaderly roles to be able to meet the calls for integration. It is a look into how leadership navigates this complex, multilevel governance industry in the context of the current political and economic environment in the EU which has so far failed to integrate to an extent needed and comparable to other industries like telecoms (Sandholtz, 1998) or banking (Cabral, 2002). It provides the leadership moment (Ladkin, 2010, 178) “explained by phenomenology as the kind of entity which cannot be separated from the context from which it arises. In fact, its very appearance is totally dependent upon that context.” CEOs and their perspective embody leadership at this difficult intersection between policy and state owned enterprises service on the market. They are a constituent subject of leadership that is needed for further development of the industry. They confront with other principal actors operating in this industry, the governments of the respective member states as representative of the owners and the regulators of an open market and the supranational legislative and regulatory body of EU. The research outcomes help to better understand the industry and allow the actors in this industry to better meet the challenges of EU rail integration. Moreover, the research provides theoretical insights into the nature of leadership in complex, multilevel governance structures. This is particularly relevant today as the research approach is focused on allowing the socially situated actors, those holding leadership positions within the EU industry, to speak to their own experience, environments and contexts. From this material I create a multi-perspective view on the constraints and enablers of leadership within the EU rail industry.

I now turn to disclose my involvement in the phenomenon and my worldview which both influence the methodological approach and outcomes.
Reflection on the selection of constructionist grounded theory in elite interviews

In the story of my research I do not claim to report generality and objectivity of the methodology and outcomes. Rather I start with an outline of myself as the researcher in the social context of the phenomenon of research that is the cause of relativity and reasons for reflexivity which is consistent with the selected methodology for my research (Charmaz, 2008). With consciously subjecting my beliefs about reality to an ontological interrogation I would like to ensure an understanding of the robustness of my research design (Mills, Bonner & Francis, 2008) in the realm of constructivist grounded theory as they are inevitably going to be part of the outcome.

Living through the breakup of Yugoslavia and then the integration of Slovenia into EU gave me a hands on experience on the impact of disintegration and integration turmoil on the lives of individuals and businesses. Leading Slovenian Railways as the CEO for two years in the mid late-2000s was an experience where I gained some personal understanding of the rail industry and the issues of its integration. Regular meetings with CEOs of other rail organizations, meetings of industry associations and those with the representatives of the EU Commission broadened the understanding of the context. For my research this gave me experience that can enrich my ability to analyze and a network which allows me to tap into interviews that others could have even more difficulties to get. But it most likely left me with certain assumptions that I needed to understand and need to show that these have been suspended in my methodological approach.

Entering the world of research as a PhD candidate was a chance to reflect upon and challenge my assumptions about organizations, business and leadership that I had developed during my professional executive career. It was a chance to reflect on my worldview, my understanding of the foundations of business, politics, finance and their interplay. At that stage I knew that I know a lot but also that I understand little and lacked rapport with those who understood more. Through my methodological and literature studies my worldview became clearer to me, as well as the impact on it of my graduate studies of mathematics and MBA. As an executive I had operated primarily from the positivist perspective, but I came to see more subtly in reality than that, that the world that we think and talk about is socially constructed. There is no objective, one and only, natural
scientific view of the lived, human and organizational world in which we live and act. There is no singular “truthful” insight or answer. Even mathematical theories are social constructs themselves, derived from and based on humanly selected axioms. Social sciences and humanities provide additional construction angles.

Understanding my worldview is essential. Firstly, it allowed me to identify and then suspend my assumptions about the phenomena I was to be studying. Secondly, it drove the selection of the research methodology as well as its influence on the data gathering, analysis and outcome synthesis. With a constructionist grounded theory approach to elite interviews the interviewer, the researcher, myself, is one of the actors involved in the dialog with interviewees and the informing literature constructing new insights into the phenomenon and its context.

The next section is about the informing theories that I have studied before performing the interviews, those for which I assumed at the time that they might be relevant to my research, but only those that I later corresponded to in my research.

**Informing theoretical background literature studied before the interviews**

In this section I present those theories studied before the interviews that I later in the period of performing interviews also related to. Those that I went to study in the course of performing the individual interviews as an additional reflection on the interviews in progress are mentioned in a separate section later on. I deem this disclosure of informing theories essential to understanding my methodology approach. The mentioned theories are not categorized or ordered according to their relevance to the phenomenon since they were initially not studied in any such order. Roughly they could be divided though in those that focus on the context; those that do on the contextual aspects of the phenomenon; the phenomenon itself; the leadership and change within the phenomenon and its context; and those that focus on the role of the researcher in the research process. Their relevance is assessed only during the interviews and grounded theory buildup.

EU integration processes are demanding change. These changes are taking place in a political environment that has a layer more, the supranational layer. That integrations for some time
need an additional layer to stir the integration as shown by history was my understanding from the beginning of my research. Leadership and multi-level governance theories cover these topics so in my preparation before the interviews I looked into them as well as related informing theories on issues in the three tier regime of corporate boards, national states and the supranational state (Talbot, 2005). I analyzed the actors of power influencing or trying to influence the state owned enterprise as a business organization beyond its formal leaders and managers through applying policy analysis (Mintzberg, 1983) of external coalitions. Performance regimes (Talbot, 2010) theory places a state owned enterprise into the wider context of organizations providing public services. The transitions from publicly to privately delivered services confront different cultural aspects of public management where acceptability to managerism in some administrative cultures is much lower than in others (Gheorge & Common, 2011). The actual place where strategic decisions are made is identified as a space of defining common values and how these evolve into a formal written strategy as means of agreeing and communication common goals (Mintzberg, 1987). In all of these research communities and their theories I explored their relevance in this conflicting three tier regime and identified needed further research opportunities.

Should EU rail integration case study research succeed in building a theory in a new topic area it is subject to evaluation of its frame breaking insights, the tests of good theory (e.g., parsimony, logical coherence, generalizability, reproducibility, precision, rigor, verification), and convincing grounding in the evidence (Eisenhardt, 1989). I have confidence that the use of grounded theory research on a few cases, of CEOs of rail organizations and other actors of national and supranational governments and their relations with each other as a guiding context, will not be seen as a generalization through empirical replication of studying cases, but as an attempt to add a case of a grounded theory research informed by critical realism to understanding and explaining a contextualized leadership as a scientific goal (Kempster & Parry, 2011).

The informing leadership theories are based on a postindustrial definition of leadership “Leadership is an influence relationship among leaders and followers who intend changes that reflect their mutual purposes” (Rost, 1993, 102). From this definition, there are four essential elements that must be present if leadership exists or is occurring. I am looking for them in the EU context where the relationship is based on influence which tries to be as
much as possible multidirectional and non-coercive, even though the relationship is inherently unequal because of the influence patterns of those who intend change, that are purposeful, substantive and transforming (Rost, 1993). Roosts’ definition is clearly worded and provides specific criteria to differentiate leadership occurring in the observed phenomenon from other social interactions. It is usable for scholars as well as practitioners and it provides a foundation from which to analyze the data about the phenomenon gathered from open ended interviews. It also serves as a comparison benchmark to compare the outcomes directly with the definition and theories based on it.

My understanding is that leadership in its postindustrial view as defined by Rost (1993) is not equivalent to performance regimes and or external coalitions in a multi-level governance context. Not all that goes on in the external coalition or performance regime is leadership, there are other social interactions taking place as well. Leadership gives all those interactions with their intents a certain mutuality of purpose that aims at change. The roles of leaders and followers are performed by CEOs as well as politicians, on the national and the supranational level. Not all of them have both roles, of leaders and followers, all of the time, especially not at the same time, but these two roles bounces back and forth between them in time.

Leading a market driven enterprise is researched (Hafsi & Koenig, 1988) from a leader-centered perspectives on leadership, transformational and stakeholder theories especially because “There is growing evidence that situational constraints may be much more important in restricting the transformational leaders room for maneuver than is generally appreciated” (Jackson & Parry, 2011:34). Critical leadership theories (Jackson & Parry, 2011) inform my research question with findings on multilevel governance environment of a state owned enterprise in case of a supranational environment like EU where further research will be needed on themes like lack of embodied leadership, conflicts of national and supranational provoking coercive control.

Leader centered theories are too narrow of an approach to research the complex phenomena of organization development that have historically developed to today’s governance structures that go beyond hierarchical organization of national states and / or business organizations (Hatch, 1996). Ladkin (2010) roots the discussions on leadership in
philosophy, since leadership is its concern since millennia. Notice here Plato’s The Republic and its enduring challenges facing democratic societies (Williamson & Thad, 2008), personal versus public interests, “good life” pursuit of justice and knowledge of leaders’ philosophers versus consumerism, and compare this for a second with contemporary political leaders. Philosophy explores what and how we think, how do we gain insight into the leadership phenomena. It might not provide answers and theory, but does provide questions and critique. It focuses on a lived experience as a valid source of knowledge. Normative approaches of deontology and utilitarianism are not enough; it is dwelling in the phenomena of leadership that helps it to resolve ethical questions. By staying in a problem, we use our senses to live the problem holistically and embody our reactions. It also looks into our reactions to others and to phenomena around us. Through aesthetics connects it with beauty (Ladkin, 2008) and consequentially with arts. From these discussions follows a strong argument for the embodiment of leadership (Sutherland, 2014) which would challenge the seemingly disembodied leadership of EU.

Management academics and practitioners are increasingly interested in the complexity-based continuous transformation models of change, in studying non-linear and self-organizing models used in natural sciences, to gain further insight into change (Burnes, 2005). At least they should be able to serve as a metaphor to think beyond traditional hierarchical models. It is argued that most change efforts fail because they seek to impose top-down, trans-formational change instead of adopting the self-organizing approach necessary to keep complex systems operating at the edge of chaos to seek equilibrium vs. non-equilibrium. These systems are even in natural sciences difficult to measure and predict because boundary conditions have significant effects on the model itself. What is so different about complexity theories? Why is complexity better suited to understanding and changing organizations than previous attempts to apply science to organizations? Proponents’ claim that the exotic mathematics, which has, arguably, revealed the workings of the natural world, have also given us the key to understanding the complexities of the social world (Burnes, 2005).

Multi-level governance is considered a rather new research discipline and it is still disputed whether is a theory or an amalgam of existing theoretical fields of intergovernmental and supranational research, or just describing EU integration. It was adopted into the discourse
of researchers and practitioners studying the complexities of EU government and governance. With its flexibility in addressing various levels and actors it is used as a normative and especially as an analytical tool. It shows that in the decision making process more non-state actors participate. What it does not claim is a diminishing role of a national state but one that is more dynamic in all directions, upward, downward and sideward. I research rail industry and companies as such non-state actors in the multi-level context.

“Multi-level governance is likely to be more prominent in areas that state actors deem less important to their interests.” (Bache & Flinders, 2005, p.199). The interplay of roles of the government, industry and other stakeholders in delivering public and private sector services is analyzed trough governance models that try to structure this interplay into four quadrants: 1) State Regulation and Enforcement; 2) State Delegation & Business/NGO Direction; 3) State Delegation & Business/NGO Direction and 4) Business/NGO Innovation & State Endorsement (Mirvis & Googins, 2013). Multi-level governance is adding another dimension to these quadrants, so the quadrants expand into parts of a cube. Still the complexities of governance with such models allow for a structured approach in research and thinking about organization development. It shows that strategic policy transfer in the process administrative reform in new UE member states as they join is anything but a straightforward process, it is heavily dependent on the past cultural aspects and notions of the role of civil service in the society. Also the political elites appear to seek EU support and advice to expedite the EU accession to comply with EU requirements nominally by accepting the required legislative. However, this assumption masks alternative agendas of the elites to accept change in a manner and extent to still preserve the existing power structures and evidence suggests that administrative reform is deeply problematic on itself (Gheorghe & Common, 2011) and that more powerful means, than legislation and administration, of change and integration are to be looked for in the leadership domain as I present it in the outcomes of this research.

Research on state owned enterprises was popular in periods of deregulation in the 1980-1900 in US and EU and recently this research topic has been actively pursued in China (Liu, 2009), taking into account the immanent conflict between the state as an owner and the state as a regulator (Davis & Keiding, 2002). There is research published on public organizations in multilevel government environments (Talbot, 1996) as well as efforts to
shed light on an increasingly opaque and complex regulatory system in EU (Talbot, 2005) but virtually no research on leading an state owned enterprise in the context of a supranational regulatory and legislative body like the EU.

Performance regime theory (Talbot, 2010) take into account the institutional context of performance steering and the nature of actual performance interventions of various actors. Multi-centric accountabilities towards the national governments and EU legislative and their regulators, auditors and inspectors, as well as others with statutory rights like for rail industry traditionally strong labor unions. Policy analysis allows analyzing actors of power influencing or trying to influence the state owned enterprise as a business organization beyond its formal leaders (Mintzberg, 1983). Performance regimes theory (Talbot, 2010) which positions the organization into a context of influence and strategy theory of action (Hafsi & Thomas, 2005) that explain the role of strategy as a force that integrates are the informing theories in developing a model of productive cooperation between the CEO and the national government within EU.

My engagement proactively with literature was to stimulate my thinking (Corbin & Strauss, 1990) that would go beyond my hands on experience with the phenomenon. These theories are those that I related to actively during the interview phase. They illustrate the various approaches to the studies on the leadership phenomena, like philosophy, humanities, arts and social sciences. The next section describes how they were used in the constructionist grounded theory in elite interviews approach.

**Constructionist grounded theory in elite interviews**

Having discussed above the key informing theoretical and conceptual conversations informing my research work I here focus on the constructionist grounded theory approach I took to the elite interviews format that stresses the interviewee’s definition of a situation. This is exactly what I wanted as a source of data from interviewees for whom I know to have participated in efforts and discussions on integration and thus possess special knowledge of it. Through my personal participation in the phenomenon, and study of publicly available sources I have reviewed the necessary information to arrive at a provisional analysis. The
production of the opening statements used at the start of the interviews were based on this analysis. The results of the interviews are the interviewee’s definitions, relevancy, subjective perceptions and reactions in retrospect to the situation as they come up on the actual interview.

In addressing the methodological issues in elite interviewing of validity and reliability I have taken advice from Berry “For projects where depth, context, or the historical record is at the heart of data collection, elite interviewing using broad, open-ended questioning might be the best choice” (Berry, 2002, 682), to be a conversationalist without a written script in front of me but to let the interviewee freely express opinions on the opening sentences and let them develop their own narrative in various directions related to it, so a good listener is even a better description of my approach. At the start of all interviews the opening statement was “a) Comparing EU vs. US rail systems, both had a modal share of 50% in the 50ies of the last century which dropped down to about 8% against the road transport. It climbed back to about 50% again in US while the EU modal share is about 15% in cargo transport and 6% in passenger transport; b) on distances less than 500 km between bigger cities passenger transport on rail can compete with air and on distances of more than 500 km rail can compete with road in cargo transport. In both scenarios in EU rail most likely crosses member state borders and leads to the need of the formation of the Single European Rail Area”. With only rare and brief interventions in moments when they rounded a thought and paused did I mention a possible new theme, but only as a possibility, so that if they took off in that direction I would not intervene any more, or back of completely if the theme did not resonate with the theme. “Corralling” is an interesting word for it used by Berry (2002), though I would rather say that I was following their line of thought while showing them my attentiveness and confirming my understanding to what they are saying. Personal interpretations and deviations from common knowledge of the phenomenon are especially valuable to increase the richness of data and consequently allow a deeper insight in the analysis phase (Kezar, 2003). So my elite interviews are extremely open ended. I only used the opening statement, not even a question to initiate their narrative about the phenomenon. Later in the interview I only used body language, short words and nods to show active participation, understanding or a wish for further clarification. Such interventions were scarce and never judgmental. Their sole purpose was to stimulate the
flow of their narrative. Specifically I avoided to mention any generalizations and any individual statements that could come from previously performed interviews with other interviewees or from public statements. This would only recreate the tensions and conflicts that are present and worked on in their actual daily work and would probably lead also their narrative to move more towards the more formal narrative used there. Since this approach was used systematically over all of the interviews I have confidence in the quality of data.

In regards to the distinction between critical and ethnographical perspectives of elite interview usage (Kezar, 2003) I am strongly on the later side, since I see the interviewed actors as agents playing roles that represent interests of different social groups in the industry. On the topic of reciprocity in elite interviews as observed by feminist and narrative researchers described in (Kezar, 2003) I have separated a) commitment and engagement, mutual trust, mutuality, egalitarism, empathy and b) reflexivity and transformation. In the case a) of commitment and engagement, mutual trust, mutuality, egalitarism, empathy all came naturally and easy for me as a researcher with former practitioner experience in the field of my field work. In this phase of research, gathering data in elite interviews, my practitioners’ side adds value having all the mentioned characteristics, though not necessarily bringing them actively into the front in the actual interviews. The interviewee and interviewer can have all the mentioned characteristics, but their relationship need not, is not and should not be symmetrical, since that would lead to their relationship being equivalent. This is not needed nor wanted. In case b) I would argue that reflexivity and transformation characteristics should be moved from the data gathering phase to the analysis phase of constructionist grounded theory development and further into conclusions. In the analysis phase the roles of interviewee and interviewer are physically detached. The outcomes of analysis and the whole research performed by the researcher is made available also to the interviewee post festum, but here the dialog is depersonalized, it is between the fields of practice and the field of research, and not between the interviewee and the interviewer as individuals. So the immanent conflict of change is moved from the space between the interviewee and interviewer into the space between practice and research. The study of leadership of such a change process is thus disembodied and can thus be observed and analyzed in the noble tradition of separation of various fields of humanities. Never in my interviews have I had the notion that the interviewees had expressed the need
for equivalency. It was the possibility to express their thoughts to an independent, though informed observer, who will respect their individual confidentiality and use the proceeds of the interview in a scholarly manner, that attracted them to enter into this relationship of confidence and openness.

Going from the elite interviews to reflections on and interpretations of them I proceed with the social constructionist grounded theory and the reason for me to select this methodological approach for my research. Following are some key arguments.

Grounded theory is a method for understanding interviewee’s social construction. It is also a method that researchers construct throughout their data gathering and analyzing, the what, how and why they do it, emerges through interacting with their research setting, data, colleagues and themselves (Charmaz, 2008). Social constructionist approach encourages innovation; new understandings and novel theoretical interpretations of studied life; strategies for creating and interrogating our data, not routes to knowing the multiple, processual, and constructed reality (Charmaz, 2008). Researchers are part of the research situation, and their positions, privileges, perspectives, and interactions affect it (Charmaz, 2000, 2006; Clarke, 2005, 2006). In this approach, research always reflects value positions which need to be identified and weighted in their effects on the research practice. Thus there is prior knowledge and theoretical preconceptions that need rigorous scrutiny (Charmaz, 2008) which I have reflected upon in previous sections. Constructionists assume that researchers construct an interpretive understanding of the studied phenomenon that accounts for context (Charmaz, 2008). “Thus grounded theorists who adhere to this position: a) Treat the research process itself as a social construction; b) Scrutinize research decisions and directions; c) Improvise methodological and analytic strategies throughout the research process; d) Collect sufficient data to discern and document how research participants construct their lives and worlds.” (Charmaz, 2008, 403). Constant comparison of data to data, of analysis to field, and to current developments in the environment grounds my theorizing to the interviewees’ data and the context (Mills, Bonner, Francis, 2006). The relationships among categories are constantly revised during the research through further interviews and verified against new evidence of the phenomenon and its context, the broader structural conditions, that surface during research through public sources like
scholarly and journalistic articles, public policy and strategy announcements as well as actual developments in the field (Corbin & Strauss, 1990).

Bringing this to the level of my own research, viewing leadership as a social phenomenon that is social, contextual, processual and relational (Kempster & Parry, 2011), difficult to observe and define (Rost, 1993), its manifestations though visible are thus difficult to understand in the intrinsic relations, context and causality. With constructionist grounded theory in elite interviews I mean to listen and observe various manifestations of leadership or lack of it as they are observed, felt and expressed by the interviewees. Through my reflection on what I see and hear and how it resonates in my mind with myself, my knowledge of the phenomena and my worldview I might come to an insight of the context, relations and processes, the leadership of Single European Rail Area creation.

There is a strong time component to the usage of the methodology. Before anything else there is a long formation time of the personality and worldview of the researcher which will have a defining impact on the whole research process. Then first comes the preparation for the interviews which is broad as I have described in the sense of understanding the factual descriptions of the phenomenon; literature review of informing theories is oriented towards the broader context but is not pointed at any presumed understanding of the phenomenon. Secondly when the actual interviews start, the intensity of the researchers’ involvement grows. There is plenty of time between interviews to reflect on the past interviews and how they resonated with the researcher and the informing theories. In parallel new facts about the phenomenon emerge constantly and are an additional source of reflection. Revisiting informing theories from the preparation period is becoming more and more pointed, some of them are dropped, and additional ones are brought into consideration. The next interview repeats the cycle of reflections. In the middle of the cycle is the phenomenon. There are four cornerstones and these are the researcher, the interviewees, the informing theories and new developments in the context. One could envision the research methodology as a spiral around a pyramid that might gradually lead to something like the core category at the top, something more than the sum of parts, something relevant and revealing. Or one might just be running in circles chasing its own tail for some time. To avoid the worst case scenario, which of chasing its own tail for some of the time would turn into chasing it for forever, the researcher needs reflection to rigorously broaden the scope of inputs from any or all of the
four cornerstones. The four cornerstones cover both leadership research and practice. This is the strong time component to constructionist grounded theory in elite interviews. It is an example of the interplay of relevance and rigor in leadership research and practice. With this I argue that in my research elite interviews and constructionist grounded theory are used together in form, content and time, thus I name the methodology a constructionist grounded theory in elite interviews.

Using constructionist grounded theory in elite interviews in such a manner allows me to pursue the following objectives: a) to capture my research data from the narrative of individuals that are or were actively and personally involved as the actors of the target sample of the researched phenomena; b) get data that would be richer than the officially published documents on integration issues by EU bodies and rail organization, to get beyond formal public statements; c) to be able to compare the captured narrative with the official statements and find gaps between them; d) to get ideas about what is omitted from the official statements.

In creating my sample I focused on getting interviews with individuals that could speak across the multilevel governance environment of the industry. As such the same involves: a) members of the EU Parliament leading parliamentarian commissions relevant to transport; b) the EU Commissioner responsible for transport and infrastructure forming the EU Single European Rail Area; c) Former and current CEOs of rail organizations irrespective from their organizations ownership structure, focus of their organization in operations or infrastructure management; d) lobbyists, regulators, journalists, trade unionists. For all of them their declared interest is to provide a better transport service to the citizens and businesses of EU.

What I hear from the interviewees is what they say and how they say it and not necessarily what they think about the topic and what they meant or would like to say, nor that they are telling the truth, only the truth, nothing but the truth and all of the truth. The collected narratives are not only a function of the former or present position of the interviewee in relation to the phenomenon, but also a function of the whole milieu of time, place and perpetually developing circumstances into which the interview is positioned in relation to the phenomenon. One cannot at all expect that the dialogue or better narrative could be recreated even with the same interviewee. The value of data collected in elite interviews is
thus not in an individual interview, nor it is in a big n number of them. It is in the depth of
listening and understanding what does a group of “elites” say independently of one another
about a phenomenon that binds them together in the point in time of the interviews
performed and the political context in which the interviews took place. So the narratives say
more about today than they say about the time when any of them was actively involved in
the phenomenon. This allows a holistic insight into the phenomenon as seen and talked
about by the few in a certain snapshot in time.

There are some practical findings about the usage of the constructionist grounded theory in
elite interviews. It is extremely difficult to organize interviews when interviewees do not
belong to one hierarchy. In my case the interviewees were addressed by a letter disclosing
the researcher and the school, the focus and aims of the research and were promised
scholarly confidentiality. They were not informed who else was invited. They were not told
that any formal authority is behind this research, since it is not. The research is driven by
share intellectual curiosity, estimated relevance and scholarly rigor. The theme could have
been considered by many invited potential interviewees as a taboo theme since it involves
so many sensitive contextual aspects. Each end every invitation is an individual effort to get
it through to the invited interviewee and seek understanding and confirmation. Even after
getting a confirmation for the meeting organizing, the logistics of the meeting is a lengthy
and tedious process measured in weeks or even months, any cultural particularities set
aside. This is also probably a key differentiator between elite and non-elite interviews, at
least from the logistics point of view. As it is a very difficult process to get the interviews,
consequentially the ones that I got were with interviewees that made an individual
conscious decision to do it. Methodologically this is an important point to mention since the
narratives of those who did not, out of whatever reasons, decide to participate in the
research might have been different from the ones performed.

Once the interviews took place they took 1 to 1.5 hours easily. Some of the interviewees
started off with statements that were rather formal and then latter on contradicted
themselves. They were then more personal, very open, critical, emotional even in their
narrative though one clearly understands that they all professionals with high ethical
standards and thus loyal to their profession and society. Almost all agreed the interview to
be taped and the transcripts sent to them for review. I mentioned that the transcripts will then serve as a raw data for the analysis and that syntheses will be anonymized.

This positive rapport experienced has less to do with any interview skills and techniques than with the general context in which the interviews were proposed, agreed upon and organized. Namely the theme proposed to the potential interviewees is highly relevant to them and scholarly rigor was promised credibly enough. The results of the research were never promised as personal feedback as this would contradict my ontological disagreement with radical reflexivity and transformation of elite interviews (Kezar, 2003). Also none of the interviewees asked for personal feedback. I would say that any symmetry of involvement, any further engagement, any further support were themes avoided by the interviewees, as well as myself. So I ruled out any two rounds of interviews.

My experience with performing elite interviews is that these are very intellectually and emotionally intensive as well as they require a high level of professional and scholarly ethics from both, the interviewee and the researcher.

**New developments of the context and additional informing literature studied during research**

In this section I would like to return the attention back to the context of the researched phenomenon and its implications on the methodological approach. Namely because of the time component the context is in constant flux influencing the phenomenon, the positions of the interviewees in their realm and the researcher, even informing theory development, while the lengthy research process is in progress.

In my case reading about and living the consequences of actual developments in the EU integration process during the ongoing economy crisis from 2008 till 2014 was very informing. The turbulent meetings of the European council devoted to the question of the sovereign debt of Greece and the possible threat of its exit from the Eurozone or even EU in 2009. The austerity policies implied have put tremendous strains on the Greek leaders and citizens as were latter in Spain, Ireland and Italy. Unemployment rates climbed to staggering 25% or even 50% in certain segments of the population. Interest rates on sovereign debt at
which those and other countries raised money to reprogram old debt and fund the exit out of crisis climbed to unsustainable heights of over 5% up towards 15% even. A very uninspiring situation for any government and political leaders whose primary objectives are to assure jobs and consequentially decent living standards of their fellow citizens. Business leaders especially of the banking sector were under raising pressure from regulators, legislative as well as the general public on the assumed guilt that they were the cause of the meltdown of the financial system. Some mayor banks and companies were bailed out by the governments, striping their shareholders, to a great extent pension funds, of their assets while putting the risks of further development of these businesses into the hands of taxpayers, as voters and citizens are called popularly by the press in such times. Quantitative easing in US and the lack of it in EU was a source of controversy in discussions since the results of one or the other case were not seen immediately and could not be obviously predicted by the classical supply side or demand side economists. Around the new year of 2011/2012 the situation came to a near disintegration of the Eurozone and thus EU. The tensions in the monetary union without other leadership attributes to stir the economy and the society became too high. The middle way between a complete disintegration of the monetary union or further integration into a sovereign union of member states that could be compared with model used in other developed countries around the world was sought in the unconventional measures of ECB to emit roughly 3 trillion EURO accompanied by the now famous statement of its president, the “all that it takes”. After this the situation completely turned around on the financial markets, but further developments show that monetary measures of a central bank need to be supplemented by further political reform by the government. Referendums were called for, announced or even performed in UK, Spain, Ukraine and others. In 2014 EU parliament elections opened the political space to many Eurosceptical political parties all around Europe, some of whom were not yet even successful on their local elections. These were the first EU parliament elections where the biggest political party groups named their candidates to run for president of the EU commission. Disputes on selecting the new president of the EU commission in the EU council that followed were resolved rather quickly but still were a sign of tensions in the change process of giving the EU parliament and commission more legitimacy as was demanded by the voters for many years now.
During these changes of the context it was difficult to expect that such integrative and capital intensive infrastructure project like the Single European Rail Area would have a lot of attention and the needed political leadership and financial support. Most likely to the frustration of the bodies in the parliament and the commission as well as the business leaders involved. While struggling to get interviews with these leaders it was an interesting reading to go through the nearest approximation of an EU constitution, in short called The Treaty of Lisbon to get the level of development of the political structures on the uppermost levels. Reading thorough the European Central Bank bylaws focusing on inflation targets without the employment targets was an experience on the financial side. Here a would like to note that the aim of this research is not a scholarly comparison analysis of sovereign political models used in US, EU, Canada, Australia and probably many others which would be a valid topic in multilevel governance research on itself. My focus was to reach a rich enough insight into the context of the researched phenomenon of rail integration in Europe into which to place the raw data from the elite interviews and to allow myself any meaningful grounded thinking and analyzing.

Two for me the most surprising findings did not surface on the structural side of the EU regime but on the monetary and fiscal side. It must have been my negligence of the matter till now. Written in a short and oversimplified manner the two findings are that a) ECB cannot lend to EU and or member states (Union, 2010, article 123) and that b) there is only 1% of EU GDP collected as tax on the EU level, half of that used for cohesion, euro speak for integration. To complement my practical understanding of the developments of the last years in the context of the studied phenomenon and in line with the used pyramid spiral model in the methodology used I had to look for further informing theories. That would provide me insight into how does a monetary union impact infrastructure financing in good and especially in bad times, since 18 out of 28 EU member states are in a monetary union.

Classical and neo-classical theories of economics, dilemmas between the Keynesians and post Keynesians, these approaches seem to start from making assumptions about rational behavior of an individual subject, individual or business, and then build theories out of this and propose policies. The invisible hand of the market did not bring me much new insight from a leadership perspective. Though the approaches looked inductive to a lot of extent, like the methodology I describe in this article. But there is a fundamental difference, namely
the individual in my approach is not generalized to an average individual to build a theory upon. In my case individuals are the sources of ideas for theories. Once there is a theory build on their ideas for it to be coherent, meaningful and valid, it needs to see the particular as part of its explanations or insights. In such a worldview theories are social constructs.

It was the book from Bagehot (Bagehot, 1873) that has led me to many fields of research in economy that resonate with leadership topics of research. The book is by the way also a perfect example of grounded theory research on how a central bank works “I venture to call this Essay ′Lombard Street′ and not the ′Money Market′ or any such phrase, because I wish to deal, and show that I mean to deal, with concrete realities. A notion prevails that the Money Market is something so impalpable that it can only be spoken of in very abstract words, and that therefor book on it must always be exceedingly difficult. But I maintain that the Money Market is a concrete and real as anything else; that it can be described in as plain words; that it is the writers fault if what he says is not clear.” (Bagehot, 1873, p.1). My reading of his term reality is that of a reality of a social construction of a central bank. That has lead me on to the dilemmas between metallists and cartalists (Zazzaro, 2002), economics theorists of what is money. In comparison to metallists, cartalists go further away from the notion of money as a store of value and a media of exchange towards philosophical roots of debt and money which sounded promisingly close to sociology, if not at the time of the first readings yet to leadership. Graziani rounded my literature review with a monetary circuit theory (Graziani, 2003) about how money is created, used and destroyed in a circle, to stir societies, and he also raised the point to who are the actors that actually do it. Monetary circuit theories were placed into the heterodox economics field and compared to the neoclassical in (Zazzaro, 2002) as well as other fields of alternative monetary economics where Arestis and Sawyer (Arestis & Sawyer, 2006) have gathered 29 high-quality original essays by leading specialists on heterodox monetary economic, with results and directions of research in a thorough survey of alternative approaches against the mainstream analysis (Reati, 2011).

What makes the field of alternative monetary economics relevant to the field of leadership research is that it starts with a very fundamental philosophical understanding of money, or better debt, which is much older than money as its material form. A concept of debt that is as old as mankind, like leadership. Parallels between leadership and debt, the latter
represented by todays monetary and fiscal policies, can be better understood in how they stir societies, banks, businesses and individuals that are the constituents of a sovereign model. Without going here further into the sovereign model and a more detailed analysis of the articles on alternative theories presented in (Arestis & Sawyer, 2006) I would like to mention that though the articles were published a couple of years before the formal start of the current leadership and financial crisis (2008-2014?), the articles describe if not actually predict many developments that followed. Namely if there is lack of money on the EU level to support the integrative efforts of the Single European Rail Area that is not because there is not enough money as such, but because there is not enough understanding of its functioning in a monetary union like Eurozone as a mayor part of EU. Orthodox economics theories and policies developed for sovereign states do not work in a monetary union which does not have all those sovereign preconditions that are taken in account in the orthodox economy theories and policies. Heterodox monetary economic needs to be studied for that.

My first literature reviews how connected leadership and monetary/fiscal economics studies are connected let me to believe that these two fields of scholarly research are scanty explicitly connected at all in literature. Should this be really the case then this should open a research niche with valuable insights into theory and policy developments that can help understand and drive political decisions.

The first draft outcomes

At this stage of my research and in line with the focus of this article the first findings are just a reflections on the methodological process, with which I proceed before closing.

The core category that emerged at the current stage of my research is the link between leadership and debt based on the two strongest messages that came out of the interviews, the lack of “standardization” and lack of “money”. To foster standardization of the equipment, the rolling stock across EU, a much higher level of procurement would be needed in parallel to a coordinated efforts of technology producers to cater this volumes with cross border integration of supplying firms. Here I do not claim a one and only Railbus based on the model or Airbus, but a few pan-EU consortia of firms that could integrate the
“security systems” that more and more reside in the rolling stock and in the locks versus that they are part of the investment into the tracks. This trend would also allow for faster upgrades and developments of the provided technologies in the future, at lower costs. Money for the infrastructure, for the integration of the European Rail Area needs to go to the corridors that cross borders of member states. The natural provider of such monies is the EU Commission supporting development of such corridors. Because of the Lisbon treaty, article 123, the bylaws of ECB and because the “federal tax” in EU is at 1% of EU GDP these monies cannot be provided and are not provided by the EU Commission but are asked for from the member states governments. But the agenda of the member states governments is different, they were elected to run their respective member states.

EU nor even Eurozone is a sovereign, with all of the attributes of one according to the theories of sovereigns and their monetary and fiscal systems according to heterodox monetary economics. Thus the issue with providing adequate monies exits. The latest comments from other actors in the global economy point to the responsibility of EU for the recovery of the global economy. As EU it is the biggest economy in the world in terms of its GDP and as well its net worth by rankings of the International Monetary Fund and the World Bank, it cannot behave irresponsibly by leaving its own recovery and consequentially its impact on the global recovery to its center only.

As I tried to illustrate in this article, the focus on a lived experience is a valid source of scholarly questions. Dwelling in the phenomena of leadership is that helps it to resolve those. By staying in a problem, we use our senses to live the problem holistically and embody our reactions (Ladkin, 2008) in a constant dialog of the researcher with the interviewees, the context and the informing theories that lead to new views and insights about the phenomenon which supports the relevance and rigor of constructionist grounded elite interviews as a methodological approach.

References:


