Leadership and company change

As a field of study, company leadership can be examined from many angles. In this paper our aim is to study leadership in the way it effects change. This review of literature is, therefore, necessarily partial and focuses on the communicative aspects relating to leadership.

It has been suggested that a leaders’ ideal modus operandi would be to achieve peaceful change, with no “collateral damage”, thus bringing about a dynamic stability (Abrahamson, 2000). They should endeavor to reconcile change with permanence: not be “rebels” or anarchists, but rather attempt to construct a “loyal opposition” (Hamel, 2000). To effect positive change they observe the environment and promote imitation. They try not to forget the past and innovate on a small scale first.

Organisations and individuals, to a certain extent, hinder change: in principle, they tend to be conformists. The leader is aware that there are certain dangers that lie in the way of human endeavor: alienation, disillusionment, cynicism and despair must be combated. In this context, he concentrates his efforts on encouraging the capacity for initiative and innovation; the leaders who wish to generate changes realise that their mission is one of communication and set out to generate trust and loyalty (Magretta, 2002). They promote freedom rather than control, because to force change can be the best way of frustrating change (Semler, 2000).

In their desire to generate support for worthy projects, they vigorously pursue communication: they listen more than they talk. Whoever is in charge must enter into dialogue with employees and consumers because the generation of value is often achieved outside-in, involving other groups in the generation of ideas and solutions (Magretta, 2002). This attitude may give rise to problems, especially when the employee or client is dissatisfied, but it is necessary for the strengthening of the leader’s character (Steel, 2000). Indeed, the forging of character is a central aspect in the leaders’ personality: they are people who possess conviction, courage, optimism and determination, and have taken on a culture of effort and whilst also being able...
to deal with frustration. They are tenacious in their work but, at the same time, are lacking in self-importance (Collins, 2001).

The leaders who effect change establish horizontal structures, pursue a certain egalitarianism and reward co-operation (The Bertelsmann Essentials). This "democratising" tendency consists in leading without wielding power which is either overweening or dictatorial; we could call it the strategy of trust, which requires the promotion of a solid culture (Coutu, 2000). To lead is, to a great extent, to provide inspiration and bestow meaning, to unify career hopes and desires.

This style of leadership attempts to balance a certain "intolerance" for what threatens the fundamental values of the company with enthusiasm for innovations. The leader listens to the "cynics" because they are detached in their dissection of problems. He also pays attention to the "enthusiasts", who are always eager to collaborate. But he especially concerns himself with the silent majority: those who will not talk unless asked (Pringle & Gordon, 2001).

Somehow or other, the leader conveys the idea that it is the employees’ contributions which give the company impetus to start again each day. In this context, they strive to generate trust (Magretta, 2002). To achieve this, they rectify errors, accept criticism, fulfil what is promised and tolerate mistakes, they give recognition to the achievements of others and know when to take a back seat, if need be. Leaders stand out for their ability to delegate and to be on the look out for a successor (Smock, 1998). They realise they cannot do everything and be overcontrolling micromanagers (Pringle & Gordon, 2001). They also know that they need their employees and clients in order to bring about changes; for this reason, they share information and promote teamwork, building coalitions (Katzenbach, 1998).

The leader who effects change is aware of the risks he is faced with, which can be condensed into six: 1) Drive himself to do too much for too long and try to push his subordinates to do the same. 2) Believe that the best ideas are objective and rational and will therefore be implanted on their own merits: the essential job of "political" strategies and negotiation would be neglected as a result. 3) Attempt to steamroller the rest into a struggle for power and control. 4) Concentrate on the negative aspects of each change: that is to say, to always worry about what can go wrong instead of considering the most reasonable way to improve things. 5) To oppose established authority and conventions head on. 6) Be in a hurry: to attempt to achieve too much in a very short space of time. The leader who wishes to carry out far-reaching changes is noted for his prudence (Waldroop & Butler, 2000).

With the speed and acceleration of changes, the leader is concerned with being ahead, of getting there first. In a society where competition is intense and innovation takes place at breathtaking speed, to be able to anticipate events has emerged as a quality of leadership. The dynamism of today’s society requires greater speed in companies’ responses: it is reasonable to think that the absence of leaders will be increasingly penalised by the market.

Leadership in media companies

Leadership in media companies has certain unique characteristics. Employees are not used to accept without any reservation directions coming from above (Sohn, Wicks et al. 1999; Lavine and Wackman, 1988). Those responsible for content - journalists, screenwriters, copywriters and so on - are not always the best team-workers, defend tenaciously their own decisions, and tend to consider what their bosses have to say as unjustified meddling.

In more news-oriented media, journalists often desire editorial freedom and protection from managers’ and owners’ influences. This is especially so in the public service sphere, indeed one school of theory propounds the complete separation between management and editorial control (Curran and Seaton, 1981; Alger, 1998; McChesney, 1999).

Controversy on sharing power and control in media companies underline tensions between different approaches and priorities. In content elaboration there are different groups that could have conflicts of interests: a) The public that wants reliable, original and entertaining programming. b) Journalists, that consider themselves speakers of the implicit demands of the public. c) Advertisers, that want to avoid contents critical of their products, services and companies’ activities. d) Politicians, that expect positive coverage. e) Owners, that often want to use media companies to foster other collateral businesses and weaken their competitors. f) Sources with special interest, that perhaps are not key advertisers, but might stop providing valuable information if they feel harmed by a medium.

Tensions between different perspectives challenge the leader and lead him or her to search for consensus. In communication companies, pacts are almost always more suitable than orders (Pow and Lacy, 1992; Sánchez-Taberneró, 2000). Leadership demands making possible something that appears to be a contradiction: on one hand, management is not anarchic and unstable; but at the same time, strategy and decisions on contents are not imposed, without dialogue and previous agreement.

The Spanish market

The choice of Spain for this analysis of leadership in media companies can be explained by a brief description of its particular characteristics. Some models of behaviour are common to the rest of
the European markets, especially in the recent and partial liberalisation of the television market, the development of “niche” radio, the appearance of free newspapers and the trend towards specialisation in the magazine market.

However, some peculiarities could make the Spanish market specially suited to analyse long-term relationships between leadership and success.

Markets seem to present two basic situations:

a) Mature markets, with high consumption levels and established, well-performing competitors (high entry barriers), in which it is difficult to provoke sudden market share changes.

b) Weak demand, where consumption is low (because potential consumers are few, or per capita income is scarce) and competitors have not achieved great proficiency levels. In such situations, lack of dynamism does not spring from difficulties to overcome dominating companies’ superiority, but from potential investors’ lack of interest.

The market is more active when it is attractive and competitors are weak. Those circumstances coincide when political, legal or technological events lead to sharp changes in the “rules of the game” (Larouche, 2000). Such a radical transformation happened in Spain from 1975, after General Franco’s death and the speedy transition to democracy. In the last twenty five years of the Twentieth century, Spain becomes a member of the European Union (1986), opens up its markets to foreign capital and experiences remarkable economic growth: in the eighties advertising expenditures are increasing annually above 20% (European Advertising and Media Forecast, 1991). Besides, in 1988 ends public television monopoly. From 1990 on paid television starts its operations and cable and satellite platforms are developed. In a new context of economic development, political stability and technological innovation, foreign capital flowed to the Spanish media sector, helped by the weakness of a significant part of the local media companies (Medina, 1998). Moreover, many large European and American corporations (Pearson, Fininvest, Hachette, Beta-Taurus, Disney, Rizzoli, Vivendi, Bertelsmann, or AOL Time-Warner, for example), consider Spain as a “bridgehead” for expansion to Latin America, with its 300 million potential clients. We could also add to this figure the 38 million Hispanics in the United States who now make up the most relevant minority of the biggest advertising market in the world.

The entry of new companies and political, economic and cultural change provoked a sharp transformation of the Spanish media industry. In the daily press sector, where changes are usually slow, developments were notable. In 1975, 112 daily newspapers were published. Only 54 were left ten years later. The two top circulation newspapers, “El País”, born in 1977, and “El Mundo”, founded in 1989, reached the leading position in sales rankings only two years after starting publication.

The study of the scientific literature and the observation of successes in some media companies in Spain have led us to put forward the following assertions.

a) In media companies radical changes are not brought about without the existence of one or several leaders, capable of mobilising the organisation in which they work.

b) Leaders have a strong commitment to their company (they contemplate remaining there for many years and they pursue long term objectives), get the people who elaborate the product involved in the projects for change, and have a great intuitive sense of what the public’s demands are.

c) Success or transformation of their companies is due to a set of actions which are coherent and “levered” (one reinforces the value of another) rather than to the “brainwave”.

Analysis of case studies

In order to illustrate and confirm those assertions we looked at the most representative cases of change and enduring success in the Spanish media market in the last twenty five years. We then went on to study in greater depth three of chosen cases, including personal interviews with the top executives of the media companies selected. In the preparation of the cases we interviewed those chiefly responsible for the changes. Eight in-depth interviews were conducted. We ruled out an empirical analysis because it is impossible to carry out a survey of management and staff of media companies who took part in transformation processes five, ten or twenty years ago.

It also seems unfeasible to attempt to detect the existence or influence of leaders in the transformation of their companies by conducting surveys on the public: the consumer has an opinion on the product consumed, but is usually unaware of the decisions and business processes which determine its quality.

Finally, it was considered more significant to carry out a diachronic study than to analyse the present moment, since momentary successes or changes can be the result of chance, circumstances or mistakes made by competitors rather than as a result of the leaders’ actions. The cases analysed are recent, but they do not appear to reflect
strategies relating to the moment, but rather allow us to discover transformational leadership models which may last in time.

Some stories of lasting success

Ten cases have been identified to tell the story of media companies or groups that have undergone extraordinary transformations and enjoyed enduring success in the Spanish communications market in the last twenty five years. In some examples, it was the successful launch of a new product, which challenged “conventional wisdom” and ended up by beating its more powerful competitors. Other times, the leaders succeeded in revitalising companies which, for many years, had been languishing in a state of monotony and mediocrity.

The cases selected refer to different sized groups with different types of content: large, medium-sized and small companies; generalist and specialised products; news and entertainment media. In all the stories, these companies had one or several leaders who enjoyed undisputed prestige and had a high level of commitment to their companies, up to the point that they considered spending their whole professional career with them (although, due to different circumstances, this did not always happen). These leaders, from different positions – almost always the most senior either in management or editorial control – had the ability to mobilise their employees which meant they were able to elaborate and commercialise a new and attractive offer to the public.

a) In 1976 the PRISA Group launched its first communications medium: one year after General Franco’s death “El País”, Spain’s most widely sold newspaper, made its appearance. Today, PRISA is also the leading radio company (the SER radio station has over 45% share of the market) and pay television company with Sogecable. For over 25 years Jesús de Polanco, the company’s President, and Juan Luis Cebrián, who was the first editor of “El País” and from 1988 managing director of PRISA have led the development of the most successful media company in business figures in Spain (Salemi, 1999).

b) The origins of the Correo Group date back to 1910 with the founding of a newspaper in Bilbao. In 1984 the Group had acquired yet another newspaper, also in the Basque Country. But from that year onwards Alejandro Echevarría and José María Bergareche, two company directors and cousins with family links to the founders of the group, initiated a process of the acquisition of new titles which, with the absorption of Madrid’s “ABC” in 2001, transformed the Correo Group into the main newspaper company in Spain (Sánchez-Tabernerio and Carvajal, 2002). This company has also diversified into the sectors of radio, television and audio-visual production and has begun its international expansion in Argentina.

c) The Recoletos Group was founded and managed by a team of four journalists – Juan Pablo de Villanueva, José María García Hoz, Juan Kindelán and Luis Infante – who, in the seventies, detected a gap in the specialised press in Spain (Infante, 1997). Today, Recoletos is the leader in economic news – with the “Expansión” newspaper and the weekly newspaper “Actualidad Económica” – in sporting press – with the newspaper “Marca”- and in medical and pharmaceutical press with the free paper “Diario Médico” and “Correo Farmacéutico”. It has also become one of the main publishing companies of economic and financial news in Portugal, Chile and Argentina. In 1994, Pearson acquired the majority share of Recoletos, although management still remains in the hands of the minority Spanish partners.

d) “El Mundo” has been the greatest success story of the nineties in the Spanish daily newspaper market. Pedro J. Ramírez, the newspaper’s editor from its initiation, has been the emblematic figure of this story: his journalistic talent led him to detect a gap which was not filled by the market leaders, “El País” and “ABC”; with a product which is pioneering, extremely enjoyable to read and very well designed, it reached second place in the daily press sales ranking (Ramírez and Robles, 1991). Even though the Italian company, Rizzoli-Corriere della Sera, is the chief proprietor of “El Mundo”, the newspaper’s editor has had a decisive influence on the make-up of the management team.

e) Hachette is the main magazine publishing group in Spain. This French company placed editorial control of its subsidiary company in the hands of Juan Caño. Since 1988 Caño has been in charge of the launching, editorial control and re-positioning of titles in the company. In 2002, the 22 magazines of the group made up a third of the total sales of the sector in Spain and, despite the advertising crisis, its combined profits totalled over 22 million euros (Noticias de la Comunicación, 2003).

f) Globomedia is the main fiction production company in Spain. It was founded in 1993. That year, four partners – E. Aragón, J. M. Irisarri, D. Ecija, and J. Fernández Velasco – set up the company, because they felt that the recent liberalisation of the television market in Spain would weaken the negotiating position of the state channels – TVE 1 and TVE 2 – which, up to then, had functioned as a monopoly. Its system of work, established by the Globomedia partners, which is based on the internal promotion of employees, teamed scriptwriters, high quality standards, fiction programmes which target family audiences and a strong commitment to innovation, has led to it becoming the most profitable fiction production company in Spain (Bardaji, 2003).
g) The case of “El Periódico de Cataluña” is particularly appropriate to this study because its parent – Grupo Zeta – has gone through several crises and credibility problems that have not affected its flagship in the daily press sector. This paradoxical fact is due to the role played by its editor – Antonio Franco – who has managed to mobilise the editorial staff of “El Periódico”. This newspaper has a bilingual edition – Spanish and Catalan – and is the most widely read in Catalonia with a gross sales margin of 17%. Except for a short period in “El País”, Antonio Franco has held management positions in “El Periódico” from the time the Barcelona newspaper was founded in 1976.

The following text analyses in greater detail the last three cases – Telecinco, “Marca” and Radio Intereconomía.

**The sports newspaper “Marca” finds new readers**

On 3 September 1987 Luis Infante was named editor of “Marca”, a sports newspaper fifty years old which was in the midst of one of its worst crises. Bought by Espacio Editorial (then Recoletos) in 1984, the newspaper had ended the financial year 1983 with losses of 96.8 million pesetas and had been overtaken in circulation and readership by its main rival, “As”. By the end of 1986, “Marca” had sold 92,059 issues, whilst “As” had sold 153,504. Figure 1 shows the sales figures for the two titles.

The arrival of Infante as editor of the newspaper marked a turning point for the sports press market in Spain. In scarcely a decade (1987-1997) “Marca” would go from 100,000 copies to almost half a million, with a readership in excess of 2.5 million, a figure never reached in the history of Spanish newspapers. A key feature of the growing popularity of “Marca” lay in its empathy with its readers. “Nobody can take upon themselves,” commented Infante, “the right of affirming that they instinctively know what the readers want. Perhaps trends can be detected but not personal and personalised tastes. And when those trends are sensed it is the readers who are telling us on a daily basis what they want when they go to buy the paper. If they buy your paper it is because what you offer is spot on and because you are capable of communicating passion for sport in each and every page of the newspaper, from the front page to the very last”. “Marca” was transformed into a sports newspaper aimed at sharing experiences and emotions with the readership, who were placed at the centre of the elaboration of the product.

Infante had not planned on remaining at the newspaper for long. But, as time went on, his involvement in the project turned into a long term commitment because of the need to bring together varied strategies: promotions, simultaneous printing to reach outlets quickly, and changes in the contents and design. The need to coordinate these transformations meant Infante remained in charge of the newspaper for a longer time than he had initially been planned: all these actions converged towards one point, and they could not be understood as a sum total of independent elements. Infante had to be totally involved, also because the readers “had found a common focal point every morning”.

Infante considers that a major part of “Marca”’s success is due to this set of coordinated and successive actions: “If our success could be summed up by one thing, it would be extremely easy to copy us in a short space of time”. Indeed, “As”, which had been acquired by PRISA in 1996, has imitated some innovations – for instance, simultaneous printing – but it has not managed to copy others.

Transformation was possible thanks to a group of people that Infante had the skill to co-ordinate and motivate from the very beginning: “there is always another competitor who has greater material resources at their disposal but the intangible aspects are more difficult to imitate”: Infante maintains that “Marca”’s transformation would not have been possible without the involvement of the whole staff: “I have never seen a team so excited and passionate about their work and the readership. That has been the key to our success.”

**The re-launch of Radio Intereconomía**

In 1997 Julio Ariza acquired Radio Intereconomía: this was a small company with a staff of eight, whose only job was to run a radio station in Madrid. The radio’s revenue for that year was 360,000 euros and it had a daily audi-
ence of 11,000 listeners. Five years later, Radio Intereconomía’s turnover was of 8,230,000 euros with over 168,000 listeners a day. Figures 2 and 3 show this growth. Julio Ariza’s company employed 410 people, and ran eight publications, a news agency and a television production company.

Intereconomía’s president sees his company as a place where employees develop their life projects and this view is attested by his collaborators. There is a real interest in solving staff members’ problems, which is reflected in the decisions referring to staff policy: a decent wage, effective communication channels, flexibility in responding to personal preferences, free crèche services for staff’s children, etc. With this attention to the running of the company, the management wishes to demonstrate that their staff are given top priority.

In this radio station specialising in economic news an ability to sense instinctively what the public wants is also present. Listeners’ calls and e-mails are used as a barometer by the radio. Ariza explains it in this way: “every morning I ask all the departments to send me a report which includes e-mails and phone calls so we know what the public’s concerns are. The changes brought about in the radio are the result of the interaction that has been created with the listeners and not as a result of market studies”. The direct contact with the listeners means that products can be “re-channelled” and a balance can be found between market needs and management’s convictions.

When Ariza acquired the radio station, the first objective was to restructure and get the company on a sound footing in a short space of time. From the outset, Radio Intereconomía ruled out competing with the main radio stations and sought out a niche in the market. The great opportunity arose from the fact that the only specialised radio station at that time had a music format.

The managers made two other strategic decisions: a) they turned the radio station into a factory for the production of specialised contents: they sold their programmes to other radio stations in areas where their signal did not reach; and b) they opted for multimedia development, in part to hinder the possibility of a competitor acquiring them and also to promote news and advertising synergies.

Ariza detected certain seachanges which might mean the public would show greater interest in a radio station specialising in economic information: in a country where the financial press was still selling less than 95,000 issues a day, the number of people investing in the stock market had risen from 800,000 at the beginning of the nineties to five million in 1997; so, there was a large potential audience which was not being catered for.

Intereconomía was strengthened by a policy of alliances, above all with the Correo Group, giving it access to radio stations which meant its geographical range was greatly extended. In all of these advances what proved vital was the staff’s extraordinarily high motivation. From 1997 onwards, they were firmly convinced that they could offer an attractive editorial project allowing them to compete with the four main radio stations which until then had dominated Spanish radio landscape.
The battle for profit in Telecinco

In the summer of 1994, the Italian Maurizio Carlotti, who at that time was marketing director for Publitalia, was sent to Spain by Mediaset with non-executive powers to compile a report on Telecinco. This was a Spanish television company in which the group controlled by Silvio Berlusconi was the partner of reference. The outlook for Telecinco was not good; it had been set up five years ago and was losing money. The first option considered by Mediaset was to find a buyer for its share in Telecinco. In September Carlotti concluded his analysis; the situation was critical: “The accumulated losses were equivalent to double the company’s assets, which was in a pre-bankruptcy stage”. The only option for the re-floating of Telecinco was the improvement of the running of the company.

Carlotti was named CEO of Telecinco in December 1994. Between 1994 and 1998 Telecinco would be turned around from a company which was in serious financial difficulty with a low prestige programming output, to becoming one of the most profitable commercial television stations in Europe with trading profits on net revenue of 27% in 1998. In this period, the company underwent a process of profound change led by the new general director: Table 1 shows the progress of Telecinco in share, net revenue and profits after tax.

For the financial year 1995 Carlotti’s aim was to get the company on a sound footing. The initial strategy was simple: spending had to be cut and profitability achieved without looking for significant increases in audience levels or income. Indeed, in both areas there was a slight fall. One month after the strike of 15 December 1994, Carlotti and Miguel Durán, president of the company, presented the adjustment plan and the re-launching of the channel. Telecinco’s staff, which had, at some points, been in excess of 1,000 employees, numbered 714 in 1997. In Carlotti’s first year as chief executive officer operation costs were reduced by 18.6%. These remained below the figure for 1994 until 1997, a year when the figure was still 5% less.

With spending under control, 1996 saw an increase in earnings. These rose by 17.7% compared to the previous financial year. The television channel’s turnover rose even more in 1997 (26.8%), above the market average which had fallen by 11.4%.

Maurizio Carlotti’s management at the helm of Telecinco meant substantial changes in several aspects: a) programming: a plan was put in place for a progressive change in programmes creating a programming schedule which placed greater weight on news, national fiction and live programmes; b) production: a news subsidiary – Atlas – and another one for fiction – Estudios Picasso – were set up; greater collaboration with other outside production companies was promoted; c) audience: the profile was improved, with more young and urban viewers; d) corporate image: in 1997 the logo and continuity were changed.

Some of the key features of Carlotti’s vision on commercial television are found reflected in the presentation he wrote himself in 1997 (Memoria Anual Telecinco): “We are clear about what kind of television we want to produce and we put our heart and soul into it.

We have a very clear aim, profitability: we have taken on an idea, that the television business is not about audience for audience’s sake; and we maintain strict discipline, control on spending”. Carlotti’s vision of the television business is clear: “Make programmes that will sell advertising, and not the other way round. In Spain television companies believed that the norm was to be running at a loss”. “Battling for larger audiences made no sense if it meant a disproportionate increase in spending. The key was in attracting a young and urban audience, the most interesting one for advertisers, with programming costs in line with their capability to generate revenue”.

Carlotti’s leadership was especially demonstrated in his first days at the company, when he was face with a strike. “We needed to convince the company’s union officials that Telecinco’s very survival was under threat which also meant people’s jobs”. In that initial process, Telecinco’s chief executive officer was clear about what he wanted, was able to put it across in a straightforward way and get it carried out very quickly. Eighty percent of the staff started work with a variable remuneration system based on objectives, which could mean an increase at the end of the year of two or three salary bonuses. “The achievement of maximum efficiency in management requires the involvement of the staff in the company’s aims in all fields, not only in the commercial one”.

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Table 1: Share, revenue and profits after tax in Telecinco (1994-1998)

Source: SOFRES (audiences) and Telecinco. Net revenue and profits in millions of euros.
The fundamental change in Telecinco’s programming came about in September 1993: “What we had to do was to have the courage to drop what was of no use and start introducing a totally new, original and dynamic programming schedule, with the aim of attracting audiences of ages over 15 and under 65, living in urban areas, with medium to high social and education levels. This is what we call our commercial target”. Some programmes such as Médico de Familia, ¡Qué me dices!, Ana, El súper, Caiga quien caiga, or The X Files were broadcast over several seasons and became the new references for the channel, in contrast to the variety shows of the previous period. The reinforcement of news programmes from 1996 onwards was also an important factor.

Carlotti points to an aspect of his management that made a decisive contribution to the company’s transformation: “The motivation of the management team and the employees, who had the sensation that they were saving a sinking ship. And we all know that a person who has been on the verge of drowning looks at life in a very different light”.

Limitations of the research and conclusions

The qualitative value of the information compiled in this study is considerable since it helps us to understand the grounds on which the success of the directors who effected change in the Spanish media market was based. The interviews afford us a closer look at the minds of the leading players in action. However, we have no in-depth knowledge of the opinions of the staff of these companies. This research may open the way for other analyses with a more quantitative focus, which could attempt to find complementary information to measure the satisfaction level of employees.

This study has allowed us to illustrate three relevant assertions concerning leadership in different media markets: specialised and generalist; in newspapers, radio and television; with large and small audiences. The cases analysed show that, in media companies, radical transformations do not come about without the existence of one or several leaders, capable of mobilising the organisation where they work.

The leaders have a strong commitment to their company. That commitment is not based so much on staying on for many years as on the pursuit of long term aims. “Marca” is an example of this: Luis Infante did not intend to stay on as this sports newspaper’s editor for a long time, but the fulfilment of the objectives he had mapped out called for an alteration to his original plans.

The directors who effect change seek the involvement of the people who elaborate each product. They all agree on the importance of gathering around them talented collaborators, of listening to them and, as Julio Ariza pointed out, they stress the importance of the “team of individuals” who worked with them in their projects for change.

In the three cases analysed in greater detail an unmistakable desire to know the public and advertisers’ demands can be seen, although sometimes this information is gathered in an unsystematic way. The leaders show an active willingness to observe, listen and analyse the demands of the internal and external public: for instance, reading their e-mails, concerning themselves with their phone calls, attempting to share experiences with them or solving situations of internal crisis such as the Telecinco strike in 1994.

In the companies studied “great ideas” have not been decisive in the processes of transformation. In the three cases the starting point off ideas was already in existence which were adapted and carried through by integrated and consistent actions over time. The directors interviewed do not invent products, but with the care they take of the internal and external public they obtain added value, both in sales or audiences as well as in economic results. In this way, they have transformed their companies into leaders in their market segments. The quantitative success in audiences of Radio Interconomía and Telecinco does not seem to be particularly large, but the characteristics of the markets where they operate mean that it is enough to make a significant improvement in economic results.

Through the review of literature, companies’ internal documentation and interviews with the directors we have been able to show both some characteristics of leadership and certain reasons of the profound transformations which the Spanish media market has undergone in the last twenty five years.

Acknowledgement

The Authors wish to especially express their gratitude for the fieldwork carried out by Juan Manuel Roca, Andoni Orrantia and Juan Pablo Artero in different communications companies. They would also like to thank Elena Izco for her help in composing the charts.

Endnote

1 Interviews conducted: a) “Marca”: Luis Infante (current publisher and former editor); José Luis Sánchez Izquierdo (he was deputy editor of the newspaper in the decade under study and is currently editor of the newspaper “Hoy” in Badajoz). b) Radio Interconomía: Julio Ariza (president), Alejandro Avila (general manager) and Francisco García Cabello (human resources manager). c) Telecinco: Mauricio Carlotti (former managing director, current managing director of Antena 3); Francisco García (communications director) and Yolanda Marugán (marketing director).
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