Leading and Managing Change in Higher Education
(La MANCHE)

Guidance Materials

Leadership

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Theories and Practice of Leadership: From Charismatic to Transformational

WHAT IS LEADERSHIP?
Leadership is an issue of paramount importance to management. It is the subject of a number of studies that are aimed at defining clearly and emphatically the characteristics of leaders in order to be able to recognize them and their influence to be put into use to increase the effectiveness of management. Here are a few different viewpoints regarding leadership:

"A process of social influence during which one may draw the aid and support of others for executing a common task " (Chemers, 1997, p. 23).

„A phenomena of interaction or influence over a given individual upon the opinion, assessment, attitude and behavior of the group as a whole or of its individual members. ” (Zhuravlev, 2002, p. 216).

„The only definition of a leader is someone who has followers” (Lesselbein, Goldsmith, 2010, p. 41).

„Leadership is influence – nothing less, nothing more ” (Maxwell, 2007, p. 22)

„Leadership is a function of knowing oneself, the ability to clearly communicate a certain view, building trust amid followers and undertaking effective measures for fulfilling your own leadership potential“ (Bennis, 2009, p. 83)

“... to be a leader means to direct, to manage and influence your followers, for which they grant you with status, self-confidence and obey you on their own volition ” (Todorova, 1995, p. 210).

The difficulty of defining leadership in simple categories is obvious. The only thing that is clear is that in order to have a leader, there needs to be a given group within which to develop one’s leadership potential. This is the basic characteristic and at the same time a prerequisite for the presence of leadership.

BASIC THEORIES ON LEADERSHIP
Studies of leadership may be divided into two chronological periods – till the 1950s and afterwards. Before the 1950s, studies were focused on the characteristics of a good leader - what personal traits someone has to possess in order to be a successful leader. A multitude of characteristics has been collected and their list is constantly growing. We arrive at the general image of the leader who is generally defined by his charisma. This method of studying leadership is called the Great Person Theory.

The image of the charismatic leader includes his skills in involving others thanks to his personal charisma, appeal, ability to build trust, and personal competence. Some of the described
personal traits of a leader are also knowledge, imposing appearance, frankness, sound mind, initiative, and high degree of self-confidence (Angelov, 1998). The legend of personal charisma is built upon this. Charisma is apparently hard to describe and study because of its own complex being and its many components which are a prerequisite for its evolution. Such description of leadership is suitable for theoretical studies, but the question arises: Is it possible that one was born a follower and acquire at a later point leadership traits? In other words – is leadership innate or can it be learnt; the eternal dilemma: nature versus nurture? This question becomes more and more important with the development of the pragmatic mindset. If social psychology aims to delve into the theoretical analysis of leadership, management needs practical pointers on how to create leaders.

After the 1950s, it did not matter so much anymore what traits a leader has but what his particular functions are. It was no longer the question of how a leader looks, but what a leader has to do. Leadership was defined as a specific role within a group that influences the effectiveness of achieving the group goals and the formation of group values and norms of behavior. (Chemers, 1997). The basic functions of leadership were related mainly with organizing combined efforts in various spheres of everyday life, creating and maintaining group norms, representing the group in its interaction with other groups, suffering the consequences of the group’s actions, and establishing and maintaining favorable relationships within the group (Zhuravlev, 2002).

The subject of leadership became a lot clearer from a practical point of view. It was no longer considered that a leader needs to be found, but rather to be created by teaching him certain skills and competences. Thus, the concept of leadership transcended from the charisma phase into the phase of situational leadership. Charisma, which is considered an innate set of traits, gives place to functionality, which is a collection of knowledge and skills applied to a given situation. This viewpoint is very important to management because it allows the good professional to be ‘introduced’ to leadership.

This is the basic contribution of the situational method to leadership. According to it, the leader needs a specific situation or environment. A numbers of factors exist that are not related to the personal qualities of a leader, yet they have a significant influence over his success. Such can be the requirements and impact of the environment, the information which the leader has at his disposal, the individual potential and needs of the followers, the nature of the group task. The situational method does not denounce the charismatic leader, it merely compliments it by adding a different approach to develop leadership in its entirety. This idea becomes more and more applicable in management. It allows management of the environment with the goal of developing leadership skills in given levels of the management structure of every organization. In other words – the presence of controlled conditions can form certain leadership skills or create the necessary prerequisites for their development.

The behavioral approach to studying leadership is quite popular as well. It is based on the theory of behaviorism which states that any event may only be analyzed within the lines of its proper manifestation – behavior. Thus, the idea of having different styles of leadership comes to light. To guarantee predictability of a leader’s behavior, these researchers concede that a leader reacts the same way in identical or similar situations. This is the most controversial part of the idea since it represents leadership as a very narrow concept: the behavior of the leader.
is regarded as a constant. Another quite controversial point in this approach is the statement that there is a ‘good’ type of leadership. Good leaders are considered to be those who are democratic and take into account their followers’ opinions. At a certain point, after the industrial revolution, it became apparent that namely leaders with similar styles were the most unsuccessful. This was a heavy setback for the behavioral approach.

When examining the theory of leadership, one cannot omit the not so popular in literature but widely used in practice concept of transactional leadership. It is based on the relationship, or the peculiar exchange, between a leader and his followers. Examples of such exchange can be, for example, monetary remuneration for labor, the leader’s friendly attitude in exchange for the followers’ loyalty, and others. More often than not, this approach is applied by intuition, without the leader being conscious of it.

The highest evolitional stage in the study of leadership is considered to be the transformational approach. It presents the leader as an agent changing the values, beliefs and attitudes of his followers. The transformational leader consistently inspires his followers by adequately presenting his vision for the primary goal of the group. He stimulates the organizational culture by introducing incentives for increasing the quality of his followers’ performance. He is identified as a constant generator of orthodox ideas for improving the personal skills and experience of every single one of his followers in order to achieve the goals of the group successfully. Traditionally, this type of leadership is considered to be very important during consolidation or defragmentation of the organizational structure. Leaders who have transformational skills are particularly valuable in implementing new ideas, values and all sorts of change within the organization. They succeed not only in reducing pressure but in motivating their followers as well by engaging them fully with the reforms and changes.

To be able to achieve such a leadership model, leaders need to have competences which are a combination of personal traits and situational factors:

- Identification and verbal presentation of one’s vision – the effective transformational leader cultivates and inspires his followers with a clear and precise vision of what their performance has to be;
- Provision of applicable models – the leader acts according to the established values of the group. In other words, he exhibits the behaviour he expects from his followers;
- Stimulating team spirit – the leader encourages cooperation between individuals from the group in order to achieve a common sense of purpose.
- Maintaining a high level of performance – the leader encourages his followers’ success and assists them in order to help them achieve great results;
- Providing personal support – the leader shows respect towards the group members by taking interest in what their feelings and necessities are;
- Assigning intellectual stimuli – the leader stimulates his followers to discuss his proposals and share their own ideas (Riggio, 2003).

“The term ‘transformational leadership’ was first used by James Burns, who describes leadership as directed to the achievement of the organizational goals. The basic functions of the transformational leader are not to control and manage, but to form a system of values within the organization and to set an example” (Ilieva, 2006).
In conclusion, the development of the leadership theory started with the idea that man is either born a leader or a follower, and today leadership is viewed as a competence to be formed and developed throughout one’s life. Researchers are now willing to separate leadership from management and to examine them as two independent phenomena. The ideal situation would be to have a crossing point between the social role of the leader and the formal position of the manager. However, although this could lead to high effectiveness, it rarely happens in practice.

**LEADERSHIP, CULTURE, SOCIETY**

Leadership is a multifaceted phenomenon. It is a combination of the personal traits of the leader, his behavior, the environment in which he develops, and the type of relationship between the leader and his followers. Consequently, the question arises of whether a given leader, who is successful in a certain cultural environment, will be successful in another environment as well? In other words – does the cultural environment have any influence over the type of leadership? Apart from the language of theory, given societies consider adequate leaders to be the “heavy-handed” ones who do not take into consideration the personal necessities of his followers; moreover, this would be perceived as a sign of weakness. At the same time, such a leadership style could be unacceptable in other cultures.

Further examination of the phenomenon discussed was the basis of a cross-cultural project in studying leadership (GLOBE). It encompassed 60 countries from all cultural regions of the world and studied the relationship between social culture, organizational culture and organizational leadership (Ilieva, 2006). As a result of this project, two big leadership groups were defined within the borders of Europe, which are related to the cultural similarities and differences of the nations. The first group encompasses the countries from North and Western Europe. Leadership there is determined by an organizational culture, strictly oriented towards results. The style of leadership is future-oriented and encourages collective work. Conformity for the purpose of retaining personal relationships at the expense of organizational values is rarely seen.

The second group includes Southern and Eastern Europe where culture has predetermined values, and is oriented towards administrative competence, diplomacy, autocracy, and the domination of formal procedures. Leadership is mostly oriented towards maintaining one’s image by assertiveness and, at the same time, keeping safe distance from power. This example illustrates the wider dimensions of leadership. It happens to be in direct correlation with a number of factors, many of which have yet to be defined clearly.

**TO SUMMARIZE**

- Leadership is a function of the personal traits of the leader, his experience and behavior, which he develops within the frame of a given social context.
- In order for leadership to exist, three prerequisites are necessary – a leader, a group of followers, and active interaction between them.
- Leadership is crucial to the management of any organization. For optimal efficiency the manager has to be a leader as well. This would lead to the identification of the
employees with the goals and values of the organization and to the improvement of their work performance.

- The concept of transformational leadership combines all existing theoretical models and develops them further. Also, it defines additional requirements for the successful leader.
- Leadership is closely related to the national and organizational culture within which it develops. The fact that a given leader is successful in a specific country or organization does not guarantee his success in a different environment.

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Leadership as a Function of Power

POWER
We use the word power quite often in our everyday lives and, traditionally, there is a negative connotation to it. We usually think about power as the ability of a certain man or a group of people to control us. In other words, when somebody has power over us, we feel helpless.

According to sociology, in essence power is “...a legal or social capability to apply force” (Giddens, 1997, p. 337).

„Power in management is understood as the ability of an individual who is formally in power to have an impact over the behavior of other people within the organization in order to achieve a certain result” (Cutting, 2008, p. 218).

Depending on the way it has been obtained, power may be legitimate (legal, formal) or social. **Legitimate power** is a part of the organizational culture and is an integral part of the management structure – every level in the hierarchy corresponds to a certain level of power, which is necessary in order to attain the organizational goals and to observe the norms of behavior. In other words, legitimate power is related to a specific position and not to the person holding it. Unlike legitimate power, **social power** is typical for informal groups. It is mostly focused on the leader but yet again it does not belong to a specific person. If, by any reason, the leader changes, the new leader will receive the same power and the old leader will in turn be stripped of it during his “dethronement” (Gerber, Macionis, Linda, 2003).

There is a dispute whether power is always innate. Some see it as the potential ability to have a certain impact; others – as a matter of influence as an act. It can be concluded that power is innate for a given person in a given context and exercising influence, thanks to this power, represents its manifestation. Power is an event of significant importance to management. One of the basic tasks of management is to discern the ways in which a given person or group may exercise influence over other people in order to attain the organization’s goals. To achieve this form of management, it is necessary to apply either personal influence or power. Personal influence is rather the object of the study of psychology but power is a construct that exists within any organization and its structure, culture, and values (Angelov, 1998).

When considering influence, it may be beneficial to note the necessary distinction between motivation and manipulation. They are both representations of different forms of influence. Motivation is typically achieved by the personal influence of a leader by providing full disclosure of information and finding ways of involving his followers without using his formal power. Manipulation, on the other hand, is often a function of formal power. The formality of the relationship between the organizational leader (director) and followers (workers or employees) in combination with the power of the former one, often prove to be enough of a requirement for a manager to present only partial information which he expects to lead to the approval of his employees. The reasoning behind such an act is usually to save efforts on motivation by shaping the needed attitude for achieving the goals in a more concrete way.
POWER OF THE LEADER

Power and leadership have two very similar traits. The first one is that they both need actors, a context and a subject. For leadership, those are the leader, the specific situation and his followers; and for power – the bearer of power, his competences which set the limitations of using power, and the people over which that power is exercised. In order to carry out his duties, a leader always has a certain amount of power. If he is informal an informal leader, he is vested with social power. Formal managers are characterized by legitimate power. In both cases, leadership is directly linked to power, yet power does not certainly signify leadership.

Undoubtedly, adequate use of power is a part of a leader’s competences. The successful leader needs to understand the importance of the power which is vested in him and to exert it according to the culture of the group and the personal necessities of the followers. Unfortunately, power and, specifically its inadequate use, can harm the leader by distancing him from his followers and isolating him from the group.

In this case, by inadequate we do not mean only the excessive use of power, but also its insufficient use. Power is needed for the execution of the normative functions of a leader. They are the consequence not only of leadership but of the group’s values as well. When a leader does not undertake restrictive measures towards his followers acting in contradiction with the values of the group, the group loses its trust in their leader who is often accused of weakness, lack of interest, conflicting interests, bias etc. Usually, in such cases, the leader is stripped of power. If the power in question is social, the members of the group either vest it in somebody else or divide it between themselves. If we are speaking about formal power – management is given the task of finding someone capable of handling the adequate use of power.

At the same time, the excessive use of power is regarded as losing one’s touch. Usually, these result from the improper understanding of the concept of power by the leader. There are a lot of examples in which the leader – under the influence of power – is under the impression that he has a clear superiority and dominance over his followers and does not shy away from showing it. A leader may sometimes perceive his role as someone who can control the behavior of others is not obliged to respect their opinion. Every disobedience is considered a personal affront and an attempt to challenge his authority. Once present, such transformation of the leader is very hard to reverse. In its last stage, this process generates the idea that the achievements are personal and not a result of the efforts of the group as a whole (French R, Rayner C, Rees G, Rumbles S, 2011).

TYPES OF LEADERSHIP POWER

To summarize, there are the two types of power depending on the type of group – formal or informal. The followers of informal leaders have vested in them social power; thus, they have authorized him to influence their behavior. In the context of an organization, the manager has formal power, which is an integral part of the structure of management. Yet leadership does not use only one of these types of power. Every leader has his individual traits, skills, viewpoints and experience, which allow him to ‘fight’ for certain power over his followers. The personal traits of the leader, his suitability and behaviour make the group to give him their trust and, therefore, power.
Based on the leader’s qualities, there are a number of leadership power types:

- **Expert power** – typical for leaders who show great knowledge and skills in a specific domain. This type of power allows a leader to be regarded by the followers as a very good professional;

- **Referent power** – leaders who control the behaviour of their followers by setting their own example. It is often described as respect or liking the leader as a human being;

- **Legitimate power** – this is the type of power which is bestowed by the role that a leader exercises within the group. The more important the role, the bigger the power is and vice versa – the less significant a leader is, the less legitimacy he has;

- **Reward power** – in order for this type of power to work, it is necessary for a leader to have a set of tools (not only material, but personal and social skills) with which to reward his followers. They follow him in the pursuit of receiving his encouragement;

- **Coercive power** – this type of power is reciprocal to the reward power. To achieve it, a leader needs to be able to enforce restrictions over his followers. In other words – to punish them, again not only by imposing material sanctions (Riggio, 2003).

In order to receive any of these types of power, the leader has to fight and defend his right to power. If a leader has specific qualities, they are perceived by the group and the followers are confident that this power will be adequately used. In order for the difference between the types of power to become clear, let us draw a comparison. Let us imagine a soldier dressed in a uniform. His uniform symbolizes the power over the group to which he is a leader – social or formal. As military men are told apart by their uniforms, so can these two types of power be distinguished as well as formal and informal leaders can be differentiated. Aside from the uniform, some military men may have medals of specific merit, courage etc. They have gone over and beyond the call of duty and, because of this, they have received those medals. They can be compared to the different types of power which the leader has fought for and defended on the basis of his skills and qualities.

It is interesting to note the fact that every type of power holds a different degree of satisfaction, for the leader himself and for his followers as well. It so happens that sometimes the leader exerts power without deriving joy from it (Todorova, 1995). The interrelation between the type of the power exerted and the degree of satisfaction can be seen on Figure 1.
No matter whether the leader is satisfied when using a specific type of power or not, it is in his interest to have the most diverse possible arsenal of types of power. Going back to the situational approach, it is possible that even the most unsatisfactory type of power is the most adequate and advisable one in a given moment. The pursuit of power is innate to the successful leader. What is important is that whenever he has it, he must be able to decide when and in what manner to use it.

**LEADERSHIP, POWER AND FOLLOWERS**

Power in its essence is dynamical. It exists only when there is an interaction between a leader and his followers. During the course of this interaction, it undergoes constant changes. On the one hand, the followers are those responsible for increasing or limiting the power of the leader, especially when it pertains to power based on the personal qualities of the leader. On the other hand, the more a leader adequately and skillfully uses his power, the more it grows (French R, Rayner C, Rees G, Rumbles S, 2011).

There is yet another correlation. Followers have a tendency, whenever possible, to prefer a leader with a style and ideas of exerting power according to their own necessities. D. Barber conducted a study on the choice of presidents in the USA while trying to identify regular patterns in the voters’ preferences (Thorp, 1993). He found a cyclical pattern in the nation’s preferences. Apparently, every time Americans chose someone with a different approach from the one of their former president. If the former president was “heavy-handed”, exerted all the power at his disposal and was not willing to compromise, then the next one would be a balanced, conformist-orientated expert. Later, the choice of another authoritarian president was made and so on. This cycle, as concluded by Barber, was an expression of the way the citizens’ necessities changed during the different mandates of their presidents. (Todorova, 1995).

E. Ericson described another interesting correlation between leaders and followers. He studied the biographies of A. Hitler, M. Luther and M. Gandhi and found that the successful leader is the projection of his followers. The leader apparently does not have to be very different from his followers; on the contrary, he must have a lot in common with them. The more overt he is in showing these similarities, the more successful and powerful he becomes.

**TO SUMMARIZE**

- Power is applying certain impact in order to provoke specific behavior with the goal of executing a given task.
- Depending on the context, power may be social (informal groups) or formal (within the limits of a specific post and organization).
- There is a clearly defined connection between leadership and power. Power is a trait that belongs to leadership – every leader has power. But power does not mean leadership – the power vested in someone does not make him automatically a leader.
- Motivation and manipulation are a function of the leader’s power as well as his competences in exercising it.
A leader may earn a certain type of power based on his personal qualities. It may be expert, referent, legitimate, reward or coercive.

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Leadership versus Management

FORMAL AND INFORMAL STRUCTURES WITHIN AN ORGANIZATION

The issue of leadership integration in management has a long and difficult history in the theory of management. Leadership is the primary field of study in sociology and social psychology, which also introduce it in management as well. As already mentioned, leadership is closely related to power and a whole range of different types of influence. On the one hand, the leader is the natural wielder of power and, on the other hand, “one of the most important traits of management of social systems is that it is always an act of influence” (Andreeva, 1996, p. 11). The function of leadership as a process of deliberate influence through power is indeed of great importance to management.

Meanwhile, if leadership is required to be an object of integration, then it is not a natural part of management. In order to verify the compatibility between leadership and management, it is necessary to trace the contexts in which the two events may be observed. The social nature of an organization may be described by its half-hidden duality. Within the limits of the same organization we simultaneously have formal and informal social processes. This helps us distinguish between two types of structure – formal and informal.

The formal structure of an organization is easy to observe and control by the management because it is a part of it. The easiest way to present it visually is through the organizational structure. It clearly shows the hierarchical structure, the levels within the organization, the channels of communication and interaction on horizontal and vertical levels. A number of different types of design and approach to describing this formal structure of the organization exist. No matter which we choose to use, it will encompass the formal traits of the organization. Depending on the scale, specific positions and whole sections may be described (Angelov, 1998). What is specific about an organization’s structure is that it ignores the personality of people. It is of no concern to it whether people within a given structural unit (section, object, office) like each other or not. Traditionally, compatibility is an issue of selection.

An informal structure within an organization also exists. It often remains in the shadow of the formal one and not much attention is given to its study. Informal structure is quite dynamic and it is not so easy to provide a description of it. This structure consists of the correlation between sympathy and antipathy among those who work within the organization. Using the principle of attraction and repulsion, informal groups are formed which rarely coincide with the formal structural units. Thus, it may be possible that in one section or department there is an unlimited number of informal groups. Each of them has its own values, culture, goals, attitudes etc. The possibility that the informal group consists of workers and employees from different sections or hierarchical levels also exists. The sum of all informal groups and the interactions between them which are manifested within the limits of the organization form its informal structure (Tangen S, 2004).

The informal structure presents a considerable difficulty for management in that it does not succumb to control by formal methods. Moreover, informal groups rarely limit themselves within the organization. They often include people who are not a part of the organization and interact outside the formal limits of an organization (Darr K, 2004). It happens so that
management has at its disposal only legitimate power, which is inherent of a formal organization but by itself is insufficient when trying to influence the informal structure in the organization. The only way to influence certain elements of it is through the social power of a leader. The leader in his crystalized form is an integral part of the informal group. There, he is vested with power by the members of the group and receives certain rights, privileges, responsibilities and obligations from his followers (French R, Rayner C, Rees G, Rumbles S, 2011).

It is important to note that every miscommunication between the formal and informal structure in a group leads to diminished effectiveness and has negative influence over the work performance. It is obvious why it is vital for management to incorporate leadership in its arsenal of tools of influence. If a manager is a leader, he could have a lot more power through which to influence the behavior of his employees.

**MANAGER OR A LEADER**

The pursuit of power by a manager makes it necessary for him to become a part of the informal structures in an organization. His integration alone is not enough. He needs to be a leader within these structures in order to acquire the needed power. Solving such an issue is no easy task. On the one hand, the manager has to preserve his legitimate power – to keep his affiliation to the formal organizational structure. On the other hand, he has to win trust, thus, becoming the informal leader and acquiring social power too. Such a situation is strongly reminiscent of a balancing act in which the balance is the borderline between triumph and failure. In order to clarify the complexity of this balance, we need to compare the manager and the leader in their “pure” forms.

Managers are people who assign management tasks and their primary aim is to achieve the desired goals thanks to the key management functions of planning and drawing up a budget, organizing and hiring personnel, problem solving and control. Leaders, on the other hand, define the direction, involve people, motivate and inspire (Kotter, 2001). Other researchers consider that the leader is the soul, passion and creativity while the manager is orientated towards rationality and sustainability. The leader is flexible, innovative, inspirational, courageous and independent. At the same time, the manager is an expert, analytical, deliberately authoritative and stable (Capowski, 1994).

The most important differences between a leader and a manager pertain to the workplace and are described in Table 1.

**Table 1: Comparison between managerial and leadership approach to management in the workplace (Kotterman, 2006)**

<table>
<thead>
<tr>
<th>Process</th>
<th>Management</th>
<th>Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating a vision</td>
<td>Plans and draws up a budget</td>
<td>Sets a direction for development of the vision</td>
</tr>
<tr>
<td></td>
<td>Sets stages and deadlines</td>
<td>Draws up strategic plans for achieving the vision</td>
</tr>
<tr>
<td></td>
<td>Demonstrates neutrality towards vision and goals</td>
<td></td>
</tr>
</tbody>
</table>
Human development and cooperation

- Organizes and assigns tasks
- Observes hierarchy
- Delegates responsibilities
- Delegates rights
- Executes the vision
- Creates policies and procedures for achieving the vision
- Does not show emotion
- Limits alternative solutions

Shows the act of sharing the act of organization
- Transmits the vision, mission and direction
- Encourages the establishment of teams which accept and understand the vision
- Shows enthusiasm
- Generates a wide range of alternative solutions

Applying the vision

- Controls processes
- Identifies problems
- Solves problems
- Controls results
- Takes low risk when solving problems

Motivates and inspires
- Stimulates followers to overcome the barriers of change
- Observers and satisfies the basic necessities of people
- Takes high risk when solving problems

Results concerning the vision

- Vision and goals are predictable
- Presents in a consecutive manner the expected results

Implements useful and meaningful changes, for example, new products or reorganization of the work process

Kotterman’s analysis paints the leader as more agreeable and successful to the manager. In that case, is it not possible for a leader to completely replace the manager? The answer is NO. No matter how attractive a leader seems to be at first glance, an organization needs formality – structure, hierarchy, procedures, and policies – to function properly. Namely because of this reason is the idea of a manager-leader established. It provides a simple solution to the dispute between the manager and the leader. The manager-leader is a manager in essence, who has the desired qualities and is capable of creating suitable situations in which to develop his leadership potential.

HOW TO CREATE A MANAGER-LEADER

Creating a manager-leader (or a manager with a leadership profile) is not easy at all. There is no single recipe for that balance. To a large degree, the compatibility of certain qualities in one and the same person is impossible. It is hard for a person to be punctual and creative, analytical and communicative at the same time. Thus, it has become common practice for good managers to be taught and trained in leadership skills. Theoretical studies on leadership give us a sound enough basis for creating various teaching methods. Nevertheless, self-analysis and self-actualization remain the most effective methods.
Because developing a leader into a good manager is a lot harder, it is accepted that a manager may develop his leadership skills. This can be achieved through everyday self-observation. After a manager has finished his self-assessment, has determined his strong sides and the fields in which he needs to develop on his way of becoming a leader, he only needs to continue with his observation. Through constant self-observation and analysis of the situations and his reactions everyone may be able to correct his behavior or to create new behavioral models. If it becomes a constant process, then success does not lie far. In order to completely close the cycle of self-actualization, two significant components need to be added – willpower and feedback. Willpower is the engine which tirelessly provides the manager with an impulse and feedback is necessary in order to be able to verify the direction and vision of the desired change.

**TO SUMMARIZE**

- In order to manage an organization, the maximum possible quantity of power needs to be concentrated in one person.
- An organization is dualistic in nature. On the one hand, it is formal, but on the other hand, informal groups function within it, which cannot be controlled by the methods of pure management. Therefore, it is necessary to combine managerial skills and leadership qualities.
- Therefore, the combination of formal structure and informal groups within the organization may be examined as a source of power, which may be attained only through combining management with leadership.
- Because a manager is regarded as being an expert in a given field, and a leader - with certain qualities and skills, in practice it is agreed that is better to develop the leadership skills and qualities in a manager than vice versa.
- The development of leadership qualities and skills is possible thanks to self-observation, self-analysis and self-actualization. But to guarantee success, willpower and feedback is needed.

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**Decision Making and Problem Solving**

**LEADERSHIP AND DECISIONS**

After we have finished discussing the differences between leadership and management, we will try to explore one significant similarity between them – the need for decision making. The word ‘leadership’ comes from English and means ‘leading, directing’. The term ‘management’ also comes from English and has the meaning of ‘governing, guiding, coping with (a certain task)’. Although the two words show different approaches, attitude and manner, a leader and a manager have one task in common – achieving a specific goal. During this process they must plan, analyze, control, correct, communicate as well as constantly make various decisions. More often than not, the ability to make decisions considerably distinguishes a leader from his followers. The difficulty in making a decision is not related to the decision itself, but more likely to the responsibility being held for the consequences and results of that decision.

“The theory of decisions states that a leader may make work-related decisions by using different strategies. They are arranged from a unilateral decision (autocratic decision making) to a decision based on the group’s consensus (decision making completely by the group). In the latter, the leader takes up the role of a simple participant within the group” (Riggio R, 2003, p. 354). The five strategies of decision making are shown in Table 2.

**Table 2. Strategy model of decision making**

<table>
<thead>
<tr>
<th>Strategy in decision making</th>
<th>Process description</th>
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<tbody>
<tr>
<td>Autocratic decision I</td>
<td>The leader makes a decision alone by using information only known to him.</td>
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<tr>
<td>Autocratic decision II</td>
<td>The leader gathers information from the group and makes his decision based upon it.</td>
</tr>
<tr>
<td>Consultative decision I</td>
<td>The leader shares the problem with those amongst his followers (certain people) interested in it and receives ideas from them, but makes the final decision alone.</td>
</tr>
<tr>
<td>Consultative decision II</td>
<td>The leader shares the problem with the group, accepts the group’s decision but makes the final decision alone.</td>
</tr>
<tr>
<td>Group decision</td>
<td>The leader shares the problem with the group and they make a consensus decision.</td>
</tr>
</tbody>
</table>

No matter which of the strategies a leader will employ, in the end, he takes personal responsibility for the results and consequences of the decision taken. The strategy of group decision must not be perceived or employed with the goal to release a leader from the responsibility of the decision taken or to transfer it to the group.

**THE PROCESS OF DECISION MAKING**

Decision making is not a single act but a continuous process for the leader. Usually, solution to particular problem requires a number of decisions. Some of them are hard and require a lot of resources. Others are with a lower level of complexity and leaders often make decisions
“on the go”. It is important to note that decisions are made as an attempt to solve a problem. If there isn’t a specific event causing problems, there is no need for decision making. In order to study the stages of decision making, it is vital for them to be included in the bigger picture of problem solving.

The leader accomplishes specific steps in this process (Kahneman, Tversky, 2000):

- **Analyzing the problem** – the most important stage in problem solving. Adequate analysis is the basis upon which all decisions are made. In order for an analysis to be successful, we need to gather information. The important thing here is that a lot of information does not always equal meaningful information.

- **Setting limits and criteria for decision making** – every decision is made conforming to certain criteria and under the influence of limitations. The most universally valid limitation is the validity of the decision. No matter how rational or good a decision is, if it cannot be achieved with the current resources, then it is rendered inadequate. Criteria are related closely to limitations and provide an answer to the question: How do we know what a good decision is? The most widely used criteria in practice are the time needed to accomplish the decision and how cost-effective it is.

- **Generating alternatives** – when we have just one decision at our disposal, then it always seems to be the most appropriate. In order to follow up with choosing the most appropriate decision we need to have at our disposal a number of possible decisions. Not only will they ensure the success of our choice, they could become vitally important if subsequent changes need to be made. Most often these changes are the result of the dynamics of the limitations.

- **Evaluating the alternatives** – the whole range of generated decisions is submitted for analysis. This analysis is done by evaluating every decision by examining its compatibility with the criteria and limitations, on the one hand. On the other hand, a prognosis of the expected results from each and every decision is prepared.

- **Choosing a decision** – after we have a sufficient number of alternatives and each and every one of them had its compatibility with the criteria and limitations properly evaluated, the only thing left is to choose the decision to be made. Usually, it is the one that is expected to bring the most favorable outcome (Schacter, Gilbert, Wegner, 2011).

**WAYS FOR DECISION MAKING**

In essence, the leader is a product of personal qualities and the circumstances of the situation. Because there is no universal mold for a leader, it is assumed that every person may show leadership. Thus, different leaders make decisions in different ways. It is well known for a fact that women have highly developed intuition, sensitivity and sentimentiality. It may be expected from them that they will make a decision under the influence of these qualities. Men are in the habit of relying on facts, proof and, in general, are predisposed to being rational. This example does not aim to sexually discriminate but to illustrate how personal experience may influence the way decisions are made.

„When making a decision, the director finds himself under the influence of such psychological factors as: social environment, acquired experience and personal values” (Angelov, 1998, p. 97-98). Angelov distinguishes three approaches to decision making:
Intuitive decisions – these decisions are based on the subjective inner belief that the choice is the right one. In order to make such a decision, no information needs to be gathered. Intuitive decisions are related to social phenomena such as attitudes, projection and attribution. A leader does not need to understand a problem because he fully relies on his inner confidence. This type of decisions can also be regarded as emotional.

Decisions, based on logic – as much time as needed is devoted to acquaint oneself with a problem. A leader uses his knowledge and skills in order to arrive at the most suitable choice for a decision. The more experienced a leader is, the easier it is for him to make a logical decision in view of often encountered issues. This approach is suitable when making work-related decisions which do not require creativity or generating a sufficient number of alternatives.

Rational decisions – decisions are made using the above mentioned formula. The leader sets aside his personal feelings (intuition) and past experience (logic) when making a decision by using the principle of “Here and now”. He follows strictly the steps for decision making, without introducing into the process any personal element whatsoever. In order to choose the best decision he only needs actual facts.

From this classification of decision making types it is evident the strong influence that a leader’s individuality has on the way he makes a choice. There is another aspect in the theory of leadership, which is strongly influenced by a leader’s personal qualities. It is his style.

LEADERSHIP STYLE AND PROBLEM SOLVING
Personal qualities are most visible in the style which a leader employs. The theory of leadership styles is a behaviorist one. The primary goal of this theory is to create a relatively sustainable model of a leader’s behavior through observation, which allows the prediction of his actions. In other words, after observing the basic styles of leadership, we will be able to easily predict the way any leader would approach problem solving.

“Some leaders hold discussions, others demand obedience, some command, others give instructions, some coerce, yet others negotiate, some apply pressure, others seek out experts etc. Different leaders use different tactics of persistence, manipulation, supplication, praise of others, indifference, reward, threat, punishment. Moreover, if it suits the situation, the leader and the needs of the group, anyone of these tactics may meet success” (Todorova, 1995, p.214).

“Leadership style or the style of a leader shows the way in which he uses communication, puts in motion ideas and motivates people. This style is the result of a leader’s philosophy, personality and experience” (Tittemore, 2003, p. 49).

The behaviorist paradigm distinguishes three basic styles of leadership – autocratic, authoritative and democratic.

- **Autocratic leadership** – it is generally related to use of power or forcing one’s personal opinion. This type of leaders has absolute power over their followers. They are not willing to compromise or develop alternative solutions. They prefer to make decision by themselves and only afterwards do they inform their followers by forcing them to follow the regulations constantly. Autocratic leaders are predisposed to render
excessive formal limitations when making decisions. They usually do not have enough information at hand because they seek to do everything by themselves. They try to approach problems rationally, but it often turns out that their approach was intuitive or emotional. They perceive success as personal and failure as an act of the group.

- **Authoritative style** – a leader cooperates with his employees but keeps his status as “different” from the rest of the group’s members. These relations between a leader and his followers can most accurately be described by the phrase “First among equals”. The leader is capable of listening and discussing various decisions. He strives to acquire maximum relative to the issue at hand information. Discussions are constructive, based on knowledge, experience and professionalism. He is open to suggestions which are scrutinized. He prefers to solve the current issues alone but if more complex one arises, he is willing to discuss them with the group. This type of a leader may set adequate limitations when generating alternatives. No matter what the result of the given decision is, he shares it with the group.

- **Democratic style** – it is traditionally related to the refusal of taking responsibility for the consequences of the decisions made. This type of leaders are willing to share the problem with the group after which they become ordinary members and discuss it from this position. They readily refuse the formalities and endeavor to have informal relations. Their primary goal is to be popular among their followers. Never do they make decisions alone, they only announce those made by the group. They do not take into consideration the limitations and do not impose criteria for generating alternatives. Like autocratic leaders, they are willing to perceive success as personal, and failure – as that of the group.

In reality it is impossible to have a “pure” style of leadership. Most leaders have traits from all three styles but one always dominates over the rest. The most suitable and sensible thing is for a leader to be capable of transforming his style depending on the specific situation and the issue at hand. Sometimes the inflexibility of the autocratic leader is required; sometimes the expert knowledge of the authoritative one, and when solving a concrete problem, the removal of all limitations by using the democratic style may be most beneficial. No matter the style of leadership, the most important thing is to make the right decision.

**TO SUMMARIZE**

- Making decisions is an essential function of leadership, which directly corresponds to leadership power.
- There are five strategies for making decisions. They are determined by how closely followers are involved in this process. No matter which one of them is used, the leader assumes personal responsibility for the consequences of the decisions made.
- The procedural approach to problem-solving defines five stages – analyzing the problem, setting limitations and criteria, generating alternatives, evaluating alternatives and choice of decision.
- There are three main approaches to decision making, which are directly related to the leader’s personality – intuitive, logical and rational.
- The style of leadership is directly related to the way decisions are made. It may serve as a pointer to help predict decisions. The styles of leadership are autocratic, authoritative and democratic.
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Fairness and Leadership

THE NATURE OF HONESTY

Honesty is a philosophical category which at first sounds as if it is incompatible with management. If we put aside the theoretical formulations, we can take a look at everyday life and ask the question: Have I known an honest leader? If the answer is yes, then you will admit with certainty that he was the best leader whom you followed with pleasure and in whom you had unconditional faith. Indeed, this short discourse with oneself defines the meaning of honesty for leadership. Yet, in order to describe the magical allure of the honest leader, we need to delve deeper into the dynamics of the group and interpersonal relations. The goal is not to conduct an analysis of the socio-psychological processes, but to reveal yet another aspect of what successful leadership is.

Honesty is, traditionally, related to honour, selflessness, frankness, valour, conscience etc. Honesty is regarded as a virtue of great importance in the processes of winning trust. Those people that have this virtue are considered closer to others, expressing their thoughts and wishes clearly, not known to show secrecy, furtiveness or have hidden agenda. This type of behaviour from a leader gives a sense of security and a feeling of safety to the followers.

TYPES OF HONESTY

Honesty is not just a concept, but a philosophical category. Any and all attempts to understand it without prior analysis are deemed to fail. Specifically because of this, we will examine honesty in light of its two most important to leadership manifestations. Honesty may be found in the communication style or personal attitude of a leader towards his followers. Communication honesty is a reflection of truth when transmitting messages. Leaders who exhibit this type of honesty are open to present the facts as they are. They do not try to save information which might not be well taken by the followers and do not seek to manipulate information when transmitting it. They strive to fill all informational deficits, forming universal expectations for all members of the group.

If a leader were not in possession of communication honesty, the followers would form heterogeneous expectations concerning the same event because of insufficient or deformed information. There can be no empty spaces in our ideas, the cognitive principle states. If a given idea cannot be achieved using information from the outside world, then our conscience fills the void by using our imagination. It always fills the void in information or “soothes” the logical irregularities. If, by trying to manage information, the leader changes parts of it without taking into consideration the idea that the followers have about the event in question, then we may witness a cognitive dissonance. On the one hand, the followers know what is expected of them, but on the other, their perceptions give them signs controversial to the expectations. This condition is a clear sign that either the expectations or the leader’s messages is inadequate.

The appropriate direction and management of expectations is of vital importance to a leader. The build-up of unrealistic expectations always leads to disappointment for the followers. And disappointment is a prerequisite for a number of negative experiences. The communication honesty of a leader is very important in this aspect. Behavioural honesty is a direct
manifestation of how much a leader follows the group’s norms and values, how much he is considered as a part of its culture and in what manner he accepts it. Behavioural honesty is perhaps best described by the Georgian maxim which goes: There is only one thing in this world that speaks without a tongue – honesty. “

It happens often that a leader preaches and strives to impose certain group values, yet he is behaving not according to them. Such conduct always confuses the followers and they have to make a decision which model to follow – the one that is verbally described by the leader or the one that is being demonstrated by him. In practice, it is not unheard of for a leader to find himself in a situation where he must promote an idea which he does not believe in. That usually leads to phrases such as: “Do not look at what I do, listen to what I say”. Again, cognitive dissonance manifests itself here, forming heterogeneous expectations in the followers.

Behavioural honesty directly corresponds to group dynamics. If a leader is not capable through his behaviour to show the group’s values and accepted norms, then he is distancing himself from the group. Such behaviour from a leader always has a bad effect on the followers’ motivation. Thus, instead of identifying (with the group) it leads to alienation and rejection of the group’s values. The lack of universally valid values by itself leads to decrease of the inner consolidation of the group and gradually – to its formalization or collapse. Confidentiality also takes a considerable hit, as a result of which the group’s creativity and effectiveness are drastically lowered. Thereby, the importance of a leader’s behavioural honesty is shown clearly.

**HONESTY AND GROUP’S ATTITUDES**

“Attitude is a relatively stable psychological or social-psychological (when referring to social attitude) construct. It reflects a person’s opinion towards a specific object – event, item, other people etc.” (Blankson, 2005, p. 56). Attitudes are formed under the influence of personal experience, personal constructs, the group’s values and culture and are manifested through one’s view of life and behaviour. Studies do not talk about attitude but about a system of attitudes. It means that in order to form a specific behaviour, it is not sufficient to have just a certain attitude, but a large array of them, which interact in certain ways.

The behaviourist method has a solid contribution to the study of attitudes by offering a model of the structural attitude. It not only reveals the elements of attitude, but gives hints about the way in which we may influence a given attitude (Devyatkin, 1999). A schematic representation of the model is shown in Figure 2. Its authors are K. Hofflan и M. Rosenberg.

![Figure 2: Functional schema of attitude](image-url)
The three components of attitude indicate that it carries certain information (knowledge) about the object in question, this object is the cause for real emotions and a simple behaviour is formed towards it. After this short presentation of attitude, we may gain some insight on the importance of a leader’s honesty.

It is clear enough that every leader wields social power. He has the ability, right and obligation to influence his followers. In other words, the members of a group readily accept with lowered critical disposition information from their leader. Moreover, he shapes and directs the group’s values. It is known that a leader has the power to influence not only the behaviour, but also the attitudes of his followers through the information he feeds them. In essence, the leader is responsible for creating content for the cognitive and behavioural components of attitude, which in turn translates into a big responsibility. If a leader shows communicational and behavioural honesty, the group’s attitudes will be adequate and would help keep the group go in the right direction. Otherwise, the group’s attitudes would lead to the disorientation of the group when interacting with other groups and the environment.

Most often, the ineffective attitudes are prejudices and stereotypes. They are specific attitudes, whose cognitive (informative) components have insufficient, old or deformed contents. Prejudice is described as insufficient or verbally deformed information. At hand is also a high emotional intensity of the affective component. Regarding stereotypes, information there has little relevance in respect to reality, it is old and often incomplete. Moreover, behaviour is formed because of this information. The leader solely holds responsibility for the type of attitude that given group forms. He has two principal tools in his possession for directly influencing attitudes – power and honesty.

**MANAGEMENT OF HONESTY**

When speaking of honesty in everyday life, we understand it as a virtue, unfettered openness, and utter self-sacrifice in the name of truth. This is the idealistic approach. Regarding honesty in the context of leadership, it is only proper to ask the question whether it may be managed and how. Don Marquis states, „Honesty is a good thing, but it is not profitable to its possessor unless it is kept under control.” (Quote by Salzmann, 2003, p. 26). Despite the mass approach to honesty, the statement that a leader has to be extremely honest could not be more far from the truth. A successful leader knows honesty as a tool. He may manifest or suppress it. Following in the steps of this principle, the successful leader uses honesty to exert influence over his followers but does not allow honesty to spread out the desired limits. Honesty may strengthen a leader’s position but if a leader allows it to take precedence over everything else, replacing the goals, affiliation and results, it may have the opposite effect. The followers expect from a leader to maintain his image by doing, knowing and being capable of things that remain unreachable to them. A leader has to show honesty from this position in order to maintain the trust in him but not to set it on a pedestal because it will harm not only him but also the organization and group as well.

To illustrate what has been said, we may use the popular position on honesty: „The honest response to most questions is „I do not know!”” (Konstantinov, Man, 1989, p. 137). However, a leader cannot allow himself to be so honest. If followers excuse their leader for not knowing, it may be confusing – he must always know. This is just an example of how leadership limits
honesty and forces a leader to be dishonest at specific times. Honesty necessary to the successful leader is not the honesty innate to the good-natured, open person, but a refined, planned, mastered and skilfully executed form of honesty. It is used to specifically influence the followers and to form certain attitudes. It is more like the honesty of diplomacy than the idealized human form of honesty. In addition, „Honesty, maintained by diplomacy, sometimes takes a break too” (Leontyeva, 2010, p. 16).

By seeking ways to manage honesty, we arrive at the truth about the golden mean. On the one hand, the leader has to show honesty, but on the other, he must be able to promote ideas and beliefs of which he personally does not need to be convinced. It is in such situations that the skill of managing honesty becomes apparent. To what degree a leader has to be honest, and in which moment does he use the power that he has? Apart from being a question related to a leader’s effectiveness, it is also a moral one.

TO SUMMARIZE

- Honesty is a philosophical category, which is not the object of study in management, but it describes the relations between a leader and his followers.
- Two basic types of leadership honesty exist – communicational and behavioural. Communicational honesty is exercised by sharing information, while behavioural by showing integrated group values in the style of leadership.
- The lack of communicational honesty of a leader leads to formation of unrealistic expectations by the followers. The discrepancies between reality and expectations are connected to disappointment and eventually – anger.
- The group’s attitudes are formed under the strong influence of the leader’s honesty. He has strong power over how adequate the attitudes of the group are. It depends on these attitudes how the group will interact with other groups and the environment.
- If a leader is not capable of using honesty as a tool, attitudes most often transform into stereotypes and prejudices.
- A leader does not use honesty to manipulate. He manages it to create suitable conditions in order to reach the group’s goals.

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Morality and Leadership

**ETHICS AND MORALS**

It might be wise to make an important note on the meaning of the words “ethics and morals” in order to clarify how they are used. Occasionally people do see a difference between the two and it usually boils down to the following: “It is preserved that ethics relate to social values while moral – to personal ones” (Wilson, 1993, p. 72). In spite of this, a long-established practice exists which leads to the tradition of using the two terms as synonyms. This attitude towards ethics and morals may trace its historical roots all the way to ancient Hellas. Augustinian replaces the Latin term ‘morale’, introduced by Aristotle, with the Greek one ‘ethikos’. In general, ethics and moral have an identical meaning. For that reason when speaking about ethics and moral we actually mean the same thing.

**LEADER’S MORALS**

“The moral triumphs and failures of leaders are much more powerful and spectacular than those of the followers” (Ciulla, 2001, p.13). In the field of leadership, the idea of discussing the leader’s moral becomes more and more relevant. It is a fundamental issue which seeks to form our understanding of leadership. Ethics, in which moral forms a part of its categorical apparatus, studies the human relationships. It occupies itself with what we have to be or what we have to do as human beings – as members of a group or society, engaging in different social roles that we encounter in the course of our everyday lives. Ethics deals with categories such as right and wrong, good and evil (Burtovaya, 2001, p. 41).

“Leadership is manifested through a special type of human relationship. The distinctive marks of this relationship are power, vision, obligations, responsibilities, honesty etc. The introduction of ethics and morals into this relationship will give us a more complete idea of what leadership is, because some of the basic ethical problems are problems of leadership as well, which include the aspiration for self-development, self-analysis, self-control, moral obligations to justice, competence and wellbeing” (Krishnan, 2003 p. 346). Ethics deals with two principal categories. The first one is the descriptive – it reflects the actual state of affairs. The second one is normative and represents a relationship, as it should be. This approach allows to examine a leader’s moral concerning the two aspects and to define accurate fields of development. Thus, the path of becoming the perfect leader may be traced.

The leader’s moral represents a very complex concept. It reflects the degree in which a leader’s behavior lives up to his idealistic image formed by his followers. Within the boundaries of the culture, values and norms of every group specific requirements and expectations towards the leader are formed as well. The sum of all the answers to the question “What makes a perfect leader?” forms the normative frame of the leader. In essence, it is a dynamic group process – depending on the stage of group development, it presents different requirements of the leader or has different expectations of the relationship with him. The group norm is the sum of the member’s opinions, which do not contradict themselves and conform to the group’s values. The norms are strictly specific to every group. For the young and ambitious employees it may be common to expect from their leader to develop their professional skills and give them intellectual incentives, which requires great efforts. However,
the employees at senior age, just before retirement, would probably have other values in the form of maintaining the status quo, strict observation of the working time, maintaining good relationships within the group etc. In this case, they would have a certain norm of their leader, which includes assigning routine tasks and natural behaviour.

If the leaders of these two groups do not show behaviour that corresponds to the norm, (expectations of their followers) the members could see them as unethical or lacking moral. A leader’s moral is the meeting point between the followers’ expectations and his real behaviour. We can see another aspect of leadership forming, an aspect which the successful leader must be capable of controlling – his morals. It is a common mistake to classify a given situation as moral or immoral. These two definitions may only point to the solution but not to the problem. The problem itself is not the leader’s behaviour and, as a result, it can be neither ethical, nor unethical. Moral does not provide an answer to the question whether to do something specific or not but state how it may be done in order to conform to group’s norms and expectations. Certainly, this separates successful from unsuccessful managers. A successful leader would search for a solution not in the direction of satisfying the necessities of all the followers, but in that which is close as possible to the group’s norms.

In order to clarify fully this principle, let us look at the following example: Because of diminishing sales, it is necessary to cut the expenses by cutting the workers’ wages. There are two ways to achieve this – by firing 10% of all employees or by cutting all salaries by 10%. Which of the two is most suitable? This is the leader’s moral dilemma. Both decisions may be suitable or unsuitable, depending on the group’s norm for leadership. If the followers are led by a heavy-handed leader, who does not respect social justice, then they could easily accept the job cuts, but not the wage-cuts. If the group has formed an image of its leader as socially just, then any job cuts would be a taboo for them. In the example at hand, the leader has to take into account the group’s norm and to act accordingly in order to avoid being declared immoral. At the same, it must be said that a leader’s rejection of making a decision may also be classified as moral or immoral.

The primary task of a leader in relation to morals is to observe constantly how the group model changes. He may exert direct influence over the group’s attitudes. In other words, the group’s norm concerning the leader develops with his active participation. Every leader needs to understand this and to observe this process. The more often it is executed, the more objective it is, and the more adequate a leader will be. Let us remember some historical leaders – Hitler, Mussolini or Stalin. An undeniable fact is that, in their time, they had numerous followers who thought of their actions as moral. Today, their actions and the consequences of them seem to us unethical. The reason for this is precisely the dynamics of people’s necessities. In a given historical moment, large groups of people necessities and expectations which formed specific ethical norms and the dictators shaped their behaviour in accordance. Today, most people’s necessities are different and they have totally different expectations. This creates a norm within which the behaviour of the three leaders appears as unacceptable and amoral.

A leader’s high moral (a strong relation between the norm and the leader’s behaviour) is a source of power to him. The more the leader lives up to the group’s expectations, the more his followers trust him. If they may predict his actions, they would feel peaceful and confident. They will be sure that the leader will always act in the best possible way and would give him
their full trust and with it – the social power to have an influence over the behaviour of the group. In political discourses we can often hear the phrase “credit of trust”. It means trust given to someone without an objective reason for it. Until this “advanced” trust is justified, it often devolves into an issue that lacks moral or professional ethics. It was already made clear why the chronology is as it is. When a person “bestows his trust upon another, then he expects the latter to act in a certain manner. When the expectations and reality meet, then we have conformity between the norm and the behaviour and we may speak of an ethical deed or behaviour. Otherwise, it leads to accusations of low morals.

Moral is the direct gauge of how much a leader acts in accordance to the ethical norms of the group. The discrepancies between the two may be caused by two things – not knowing and being incapable or unwilling to take them into consideration. The first one is related to the social intelligence of the leader, while the second one to his personal qualities.

SOCIAL INTELLIGENCE AND MORALS

The inability of a leader to get his bearings in an adequate manner within the system of the group’s ethical norms is related to his social intelligence but also has direct impact over the evaluation of his morals.

„Social intelligence is the readiness to handle in an effective manner complex social relationships or situations“ (Albrecht, 2006, p. 41). N. Humphrey – a psychologist and professor in London School of Economics - thinks that not the intelligence quotient, but social intelligence determines how successful a leader is. The social studies researcher R. Honeywell thinks the quotient of social intelligence is an aggregate measure for self-control and social orientation. SQ or social intelligence quotient defines the stage of social beliefs development and attitudes, the ability and willingness to manage complex social tasks. People with high values of social intelligence are not better or worse from those with lower ones, but they have different attitudes, hopes, interests and necessities (House, 2011). The first definition of social intelligence belongs to E. Thorndike from 1920. It says: „The ability to understand and manage men and women, boys and girls, to act wisely in human relations“ (Thorndike, 1920, p. 230).

It is necessary to lay down only the approximate limit of the skills array, abilities and competences that a leader needs to possess in order to successfully manage the level of his moral or behavioural ethics. The more adequately he is oriented in the social reality, the more precisely he will be able to diagnose the expectations of him and to constantly update his ethical norms. If this is achieved, it is a question of a leadership decision whether the behaviour will reckon with the norm or not. In this situation, his deeds might not be in line with the norm, it is a matter of choice. Nevertheless, a leader who is not capable of deciphering correctly the norm for his own behaviour is doomed to be declared amoral by his followers and to lose the social power.

TO SUMMARIZE

• There is a conditional distinction between ethics and morals. The former is used to label social values, while the latter – personal. However, their use as synonyms becomes ever more prevalent.
• Ethics deal with two principal categories. The first one is the descriptive – it reflects the actual state of affairs. The second one is normative and represents a relationship. This approach allows to examine the leader’s moral concerning the two aspects and to define accurate fields of development.

• The leader’s moral represents a very complex construct. It reflects the degree in which a leader’s behaviour lives up to his idealistic image, formed by his followers. Within the boundaries of the culture, the values and norms of every group are shaped into the specific requirements and expectations of the leader.

• It is a common mistake to have a certain situation classified as moral or immoral. These two definitions may only point to the solution, but not to the problem. The problem itself does not represent the leader’s behaviour and, as a result, it cannot be ethical or unethical.

• A leader’s high moral (a strong relation between the norm and the leader’s behaviour) is a source of power to him. The more the leader lives up to the group’s expectations, the more his followers trust him.

• The inability of a leader to get his bearings in an adequate manner within the system of the group’s ethical norms is related to his social intelligence but has direct impact over the evaluation of his morals.

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Grassroots Leadership

GRASSROOTS MANAGEMENT
In management “grassroots” leadership is identified with “grassroots” management. In order to understand what grassroots management signifies, we need to distinguish it clearly from the management style, which carries itself out the same way. Grassroots management is connected to communication within the organization. A circulation of information in the organization is needed for the execution of all management functions. It is achieved in three channels – downward, upward and horizontally.

Through the downward channel, manager distributes information that is required for managing lower levels - instructions, regulations and orders. Without organized downward communication, the people responsible for the execution will not be able to understand the goals and tasks of the organization and their work performance will worsen. The upward channel ensures feedback and information that is needed in order to make management decisions. If upward channel of communication is restricted, then it is impossible to use the professional and expert capacity of high-level management fully. Managers are forced to make decisions with lack of information or based on wrong information. The horizontal channels of information are used to maintain the integrity of the organization. Thus, the excessive differentiation between separate units and structures is prevented which expedites decision-making and integrates the organization’s goals (Filonovich, 1999, p. 87).

Depending on the manner, basic communication channels are used, we may distinguish different types of management in an organization. Grassroots management is associated with prioritization of information that flows in upward direction with the organization. This type of managers are strongly oriented towards the ideas, expectations, wishes and feedback which they receive from the lower hierarchical levels of the organization. They openly consult with people whom they manage and prefer to demand suggestions for solutions from them, instead of giving them instructions and orders. It is vital when executing grassroots management to maintain horizontal communication. Attracted by the interest shown by higher-level management, employees and lower level management structures very often redirect the horizontal channels of information. Later, they become upward and in lieu of achieving integrity between structures, a lack of coordination may be seen among them.

COMMON ASSESSMENT FRAMEWORK
There are different approaches to developing and implementing grassroots management. In 1998 within the limits of EUPAN (European Public Administration Network) a system for quality control, which is based on the information, opinions and stands on various issues of the workers and employees in the organization, was developed. The system gathered popularity under the name CAF (Common Assessment Framework). This system underwent a multitude of revisions and adaptations, the last dating from 2010 (C. E., 2006).

Although CAF was created for quality control in public administration, later it found its way in the service sector and many organizations use it as a system of procedures in order to optimize upward communication. Thus, they train managers and employees on what the expectations
from them are and to communicate and build a certain organizational culture. The philosophy behind the system requires non-managers form a task group, which has the goal of completing a study and analyse a number of fields within the organization by diagnosing their strong and weak sides. The next step is to make suggestions for improvement and to defend them in front of the management of the organization. The managers’ task is limited to preparing a working plan and its integration in the management within the organization.

The task group analyses the following fields:
- Leadership in the organization;
- Strategic management and planning;
- Partnerships and resources of the organization;
- Processes of management of change within the organization;
- People in the organization;
- Clients and achievement/results orientation;
- Social effectiveness of the organization;
- Results evaluation (using OECD, 2005).

The execution of a common frame for evaluation or even just isolating elements of it easily produces upward channels of communication. This process stimulates employees and workers’ identification with the organization’s goals and values. On the other hand, it has positive impact on the development of an organization’s communication culture.

**GRASSROOTS LEADERSHIP**

After we have already clarified what grassroots management is and how it may be achieved, we may take the next step – to try grasping what grassroots leadership is. In the theme “Leadership vs. management,” we saw the need for maximum concentration of power in one individual. In order to achieve this, the manager and the leader need to be the same person. Therefore, he will be the wielder of legitimate and social power. This strengthens the ability of influencing the behaviour of employees and followers. We also specified that there are ways of forming leadership skills in managers.

Grassroots leadership presents another model for concentrating social and legitimate power in one individual. However, we are not speaking about the formation of leadership skills and qualities, quite the contrary. Under the circumstances that an organization already has a leader, it is in its best interest that he receives legitimate power by being given a management position. It is important that this person also possesses the required professional knowledge and skills. If in the first case of informal structure the management follows, the process here is the opposite: the organization as a formal structure follows the dynamics of the informal structures.

The advantages of grassroots leadership are:
- Increased trust in the social justice of the organization;
- Increased identification with the organization’s goals and values;
- Maintaining the informal relationship between a manager-leader and his employees-followers, which facilitates smoother vertical communication;
- Increased competitive power and, respectively, increased work performance;
• Lesser probability of unsuitable manager appointment in comparison to outside selection.

Besides advantages, the execution of grassroots leadership also hides some risks, which are important to consider and manage during the whole process. In general they typically are:

• Distancing of the followers because of their leader’s excessive power – after obtaining legitimate power as well, there is a real risk that the followers would strip their new manager of his social power;
• A dynamic stage of the group’s development – at certain stages and states of the informal structures development within the organization, it is not advisable to transform a leader into a leader-manager. It is possible that this may lead to the group’s break-up or slow its development significantly;
• Change in leader’s morals and honesty – after the formal status of the leader within the organization has been changed, it is expected from him to combine the values, norms, goals and culture of the organization with those of the informal group. Many times, at the beginning of the transformation of a leader in a leader-manager, the followers perceive as a change in his morals and honesty. This may also be the case of follower withdrawal;
• Constant support – the new leader-manager needs to receive constant support from the management of the organization in order to understand as fast as possible on what the expectations of him are. Otherwise, there is a risk that he would accept the expectations his followers have of him and to perceive them as directed at him on the part of lower level management.

The appointment of a leader as a manager is not enough to achieve effective grassroots leadership. In order to accomplish this type of leadership, a plan on an organizational level and its execution through the human resources management system is required. This type of leadership and its successful management is associated with talent management.

TALENT MANAGEMENT

In order for an organization to “produce” leader-managers on the principle of grassroots leadership, it needs to have a vision, goal and strategy in the said direction. The easiest way to find them is in talent management. McKinsey introduced the term in 1997. It is defined as the capacity of the organization to attract people with certain skills and to develop them according to the current or strategic necessities of the organization (Scullion, Collings, 2011).

Talent management is a system for human resource management which is integrated within the strategic management of an organization. Its philosophy is the result of the changes of the market of talents. There were two tendencies which developed simultaneously. The first was related to the need of commercial organizations for a wide range of specialists and experts competent in more than one field. The second represented the deficit of the market of talents regarding such personnel. Some organizations still use a policy of selection – constantly scanning the market for suitable professionals and carrying out many selections. Others undertake a policy of talent management - they seek suitable candidates by investing in the development of specific skills and knowledge in accordance to the necessities of the group (Michaels, Hadfield-Jones, Axelrod, 2001).
The four basic processes, which are typical of talent management, are:

- **Selection** – it is directed towards searching and hiring employees with potential (talent), which at the moment of selection have not yet manifested it;
- **Management of personal performance** – it encompasses not only certifying a new employee as a form of evaluation, but providing mentorship and training as well, which aid the development of certain professional and personal qualities and skills in the employees;
- **Training and development** – this is the process of adding new knowledge and developing skills necessary for achieving the goals of the organization;
- **Management of compensations** – when dealing with people and their talents, it is not always possible to give a hundred percent accurate preliminary estimation. Sometimes it may be that a given employee has skills, which might not be beneficial to an organization, and lacks those which are important to it. In such cases, compensation is used as a corrective measure. The strong sides are developed as much as possible while efforts are made to suppress the “shortcomings”.

In the context of the idea of talent management, it becomes clear how grassroots leadership may be managed strategically in an organization. It is necessary to select people with leadership potential, which would be developed over time. At the same time, these people need to develop as professionals in order to eventually become leader-managers. This is of vital importance to the effectiveness of the organization. The creation of a leader is always a strategic process that takes time, unlike the appointment of a manager.

**TO SUMMARIZE**

- A circulation of information in the organization is required for execution of all management functions. It is achieved in three channel directions – downward, upward and horizontal.
- Grassroots management is associated with prioritization of information which flows in an upward direction within the organization. This type of managers are strongly oriented towards the ideas, expectations, needs, and feedback which they receive from the lower hierarchical levels in the organization.
- In 1998 within the limits of EUPAN (European Public Administration Network) a system for quality control, which was based on the information, opinions and stands on various issues of the workers and employees within the organization, was developed. The system gathered popularity under the name CAF (Common Assessment Framework). It provided an approach to the optimization of upward communication channels.
- Grassroots leadership presents another model for concentrating social and legitimate power in one individual. However, we are not speaking about the formation of leadership skills and qualities, quite the contrary. Under the circumstances that an organization already has a leader, it is in its best interest that he receives legitimate power by being reassigned to a management position. It is important that this person also has the required professional knowledge and skills.
- Talent management is a system for human resources management which is integrated within the strategic management of an organization. Its philosophy is the result of the changes of the talents market. There were two tendencies which developed
simultaneously. The first was related to the need of commercial organizations for wide range specialists and experts who were competent in more than one field. The second represented the deficit on the market of talents regarding such personnel.

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Leadership in Academic Settings

BASIC THEORETICAL CONCEPTS AND DEFINITIONS OF LEADERSHIP

Management was initially considered to be a synonym of leadership. However, recent interpretation states that leadership and management might be viewed differently. Any of the following positions: these two phenomena fully coincide; they partially overlap (and partially differ); and third, that they are different phenomena could be well grounded. Administration is one of the functions through which the management in organization is carried out, and manager is in a formal (official) position. The manager has the right to give orders on behalf of the power this position has. The power coming from this position is grounds for him to demand the execution of his orders. Leadership, on the other hand, is viewed as the ability to exert noncompulsory influence. It is far more informal (unofficial) and, as a rule, it has different sources and grounds.

Between the informal leader and the formal manager, from the point of view of management science, there are many differences. However, in this case, as a demarcation factor, of the greatest importance is power. As it is known, the manager is appointed officially and possesses power which guarantees execution of his orders even in cases when he is disrespected. The leader does not have power, but there is no leader without respect; other people follow him voluntarily because he has certain qualities to achieve the objective of joint activities (Andreeva, 1996, 13).

The unifying position between leadership and management which, because of terminological or other reasons is poorly covered by the Bulgarian literature, consists most generally in organizational effectiveness. No matter whether a leader occupies a formal position or not, the real leader must strive for achieving his goals. The position or the title does not build up the effective leader although in the organizations some management positions could provide a strong initial point for one manager to become a leader. The preservation of the leadership position requires something more from the manager – consistent and systematic pursuit of the joint work objectives, formation of qualities and behavior in compliance with the changing conditions of the environment. If we accept the aforementioned presumption, we have to be convinced that leaders are not born; they are made, deliberately or spontaneously.

There are a lot of definitions of leadership, but most of them include the leader’s influence on the group to achieve the objectives. Here are some definitions:

- “Leadership is a basic category in social psychology which deals with the interpersonal relationships of leadership between people.” (Dzhonev, 2000, i. 3; 279)
- “Leadership is the ability to exert influence upon individuals and groups, stimulating them to work for achieving a goal.” (Angelov, 1995; 257)
- “Crucial requirement for effective leadership is gaining confidence. Otherwise, there would not be followers, for the only definition of a leader is ‘someone who has followers.’” (Draker, 2000; 107-110).
- “Management function in practice could not be carried out without: emotional support, formation and preservation of team spirit and the subjective sense of satisfaction and security, motivation, guidance, and conflict resolution.” (Paunov, 1998; 221)
• “Leadership is the ability to persuade others to strive enthusiastically for achievement of the set objectives.” (Donnelly, Gibson, Ivanchevich, 1997; 316).

• “Leadership is a relationship through which a person exercises influence upon the behavior of other people. This means that leadership as a process could not be separated from the group’s activities and the effective formation of a team.” (Mullins, 1993; 229-230)

• Leadership is a process in which a person, or sometimes a small group of people, affects other people’s efforts for the achievement of objectives in certain circumstances. Key variables to be considered: the leader, the members of the group, situation, external environment, team objectives and tasks.” (Cole, 1995; 193)

• “Leadership is the ability to affect other people, to motivate them and guide them for the purpose of achievement of desired objectives.” (Hellriegel, Slocum, 1993; 467).

No matter how different the aforementioned definitions are, they are related to categories such as influence and power which an individual exercises over others. Few are those who would not agree to the assertion that “leaders influence their followers.”

On account of the fact that leadership is a rather complex phenomena, for its identification, description and explanation various approaches and conceptual networks could be used. Among the authors, there is no unanimous opinion on how these various leadership theories should be classified. However, it is a fact that the research into leadership has a long history. Leadership theories usually supplement each other as the later theories are based on the knowledge from the previous models, thus enriching them and using them in a new way.

LEADERSHIP IN ACADEMIC ENVIRONMENT – THEORY AND PRACTICAL APPLICATION

In the process of academic institutions management we encounter many different in nature problems. They arise from the fact that all these entities, whether public or personal, depend to some extent on the quality of the environment in which they function. Most of the experts define environment and its influence upon organizations as direct and indirect. The grounds for this are that some of the factors have greater influence than others. Such an approach could be fruitful for some organizations, but in reality every factor might be direct at a certain moment, and at the next moment – indirect. Therefore, we will present the academic environment in the following main dimensions: global, supranational (European social and economic area), national, working, and internal. Each of these dimensions is a combination of factors which define the academic environment as exceptionally complex, dynamic, and, in the conditions of the modern world, often unpredictable. Thus, in order to clarify leadership in the academic environment, we will use the situational leadership theories.

SITUATIONAL LEADERSHIP THEORIES

The situational theories examine the interaction between the characteristics of the leader and the environment. These theories state that situation is the most important determinant at the explanation of the effective leadership. Many of the situational theories build on the behavioral leadership models, using the dichotomy in the leader’s behavior as their starting point. One of the most popular situational theories is Fiedler’s “contingency theory“.
FRED FIEDLER’S ALTERNATIVE (SITUATIONAL) THEORY

F. Fiedler searched for correlation between the concrete dimensions of the situation and the type of effective leadership. According to this theory, the leader’s behavior in an academic environment might be oriented towards work (task execution) or towards people (relationships). In Fred Fiedler’s research, this was ascertained by means of a questionnaire about the least preferred coworker. In order to measure the leader’s basic orientation (motivation), Fiedler worked out an instrument for self-evaluation called LPC (least preferred coworker). LPC required leaders in educational institutions in particular, to evaluate the person they had the worst work relationship with. These evaluations were made by means of bipolar evaluation scales using adjectives such as “friendly – unfriendly”, “pleasant – unpleasant”, etc. (Fiedler, 1967; 225).

The next step in the theory is related to defining the characteristics of situation, in order to find the best match between leadership style and the situation. There are three basic organizational variables:

- The relationship manager-employee (the relationship shows how respected the leader is by the academic portion of his employees and how much they trust him);
- Structure of the work task (tasks are defined as structured or unstructured depending on whether there are clearly defined goals of educational establishment, direction, unit, and group and whether there are elaborate procedures for achieving these goals);
- The power of the leader related to his formal organizational position in the academic environment (it is usually defined as the ability of the leader to hire, train and fire employees, defined in the policy of the organization).

Each of these variables may take opposing values. The relationship between the manager of the educational institution and his employees may be good or bad. The task may be defined by a high or low level of routine. In case of the former it is well structured (see the table below – structured) and in the latter – lightly structured (see the table below – unstructured). The power of the educational institution manager or direction may be strong or weak. The types of situations in which a leader acts may be described as a combination of possible values in three variables. F. Fiedler strives to prove the thesis that in every one of these situations a leader in an academic environment, could make the right decision, which makes him an efficient manager.

Table 1. Situations and styles of leadership – interpretation

<table>
<thead>
<tr>
<th>Type of situation</th>
<th>Leader-employee relationship</th>
<th>Task structure</th>
<th>Power related to the position</th>
<th>Most effective style of leadership, orientated towards¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Situation 1</td>
<td>Good</td>
<td>Structured</td>
<td>Strong</td>
<td>The task</td>
</tr>
<tr>
<td>Situation 2</td>
<td>Good</td>
<td>Structured</td>
<td>Weak</td>
<td>The task</td>
</tr>
<tr>
<td>Situation 3</td>
<td>Good</td>
<td>Unstructured</td>
<td>Strong</td>
<td>The task</td>
</tr>
</tbody>
</table>

¹ In (Hellriegel, Slocum, 1993; 482) it is mentioned that in situations 4 and 7 the most effective style of leadership is the one oriented towards the relationship.
The situation, that is to say, the academic environment, may change on purpose in order to become more beneficial to the manager. This may be achieved by undertaking measures to change the relationship, the nature of the task, or the leader’s position in the academic hierarchy. There is also another possibility – by taking into account the requirements of the situation, to choose such a leader of the institution who might be the most suitable for it because of his style.

However, according to Fiedler, it is easier to change everything in the academic environment than it is to change the leader’s personality. Therefore, the author considers it effective to change the environment, not the leader. (Hristov, 1993, 61). To change a leader’s style through training, for example, is a difficult task. A better alternative is to change the situation. In order to do so, the manager of the educational institution or its direction needs to learn how to define the environment in which he performs successfully and only then to start modifying the situational factors in the direction that best suits his style of leadership.

VICTOR VROOM AND PHILLIP YETTON DECISION MAKING THEORY

The theory of Victor Vroom and Phillip Yetton defends the principle that one of the most important tasks of a leader is to make important, work-related decisions. On a comparison level, this theory is somewhat unique, because “...not only does it make predictions concerning proper leadership behavior when making decisions, but it also gives “instructions”, which the one making decisions has to follow” (Donnelly, Gibson, Ivanchevich, 1997; 330-332). The theory concedes that a leader may make decisions by using a number of strategies, which include five separate leadership styles. (Mullins, 1993; 250-251), (Hellriegel, Slocum, 1993; 487-490).

First, the leader in an academic structure makes a decision by using his own information, and in the second – after gathering information from his employees. In the third and fourth styles, before making decision, the leader of the educational institution consults with his employees. The difference is that in one case he consults with everyone individually, and in the other – with all together. In the fifth style, everyone discusses the problem and alternatives together and take decisions (the leader simply manages the process of joint work). The first and second styles are autocratic, the third and fourth – consultative, the fifth – a group one. (See. Table 2.)
Table 2. Decision making strategies

<table>
<thead>
<tr>
<th>Decision style</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Autocratic decision</strong></td>
<td>The decision is made on grounds of the information which only the leader has at his disposal.</td>
</tr>
<tr>
<td><strong>Autocratic decision</strong></td>
<td>The leader receives information from his employees and afterwards makes the decision alone.</td>
</tr>
<tr>
<td><strong>Decision made after consulting I</strong></td>
<td>The leader shares the problem, listens to his employees, but makes the decision alone.</td>
</tr>
<tr>
<td><strong>Decision made after consulting II</strong></td>
<td>The leader shares the problem with his employees as a group, collects and analyzes their opinions, but makes the decision alone.</td>
</tr>
<tr>
<td><strong>Group decision</strong></td>
<td>The leader shares the problem with his employees as a group and together they reach a consensus regarding the decision.</td>
</tr>
</tbody>
</table>

The situational variables describe different characteristics of the decision-making process. The concrete values are related to the alternative responses (yes-no) to seven diagnostic questions (in accordance to the seven variables). They pertain to the requirements for decision quality, the presence of enough information in order to make a decision, whether the is structured or unstructured, how will the followers react to it and will they execute the decision etc. Depending on the response combinations, one of the described five styles may turn out to be appropriate and beneficial. (See Table 3.)

Table 3. Questions, influencing a leader’s decision

<table>
<thead>
<tr>
<th>Quality of the decision requirement</th>
<th>How important is it for the decision to be of quality?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreement requirement</td>
<td>How important is it that the members of the team agree on the decision (are in unison about it)?</td>
</tr>
<tr>
<td>The level of information a leader has</td>
<td>Do I have the necessary information to make an informed decision?</td>
</tr>
<tr>
<td>How structured the problem is</td>
<td>How well is the problem structured (is it clear how it may be solved)?</td>
</tr>
<tr>
<td>Sharing of organizational goals</td>
<td>In what way do the members of the team share the organization’s goals which are the aim of the management decision in question?</td>
</tr>
<tr>
<td>Conflict amongst the employees</td>
<td>Is a conflict possible between the employees because of differences in relation to the preferred decision?</td>
</tr>
</tbody>
</table>

**AT THE AVANT-GARDE: ENTREPRENEURIAL LEADERSHIP THEORY OF CRIS VAN ZYL**

„Entrepreneurial leadership” is a leadership theory of the new century, which focuses on the role of modern academic leaders in creating new educational innovations (social,
technological, cultural) – as one of the most important dimensions of the modern world. The motivational model presents entrepreneurial leadership as a system in which the basic elements are: entrance, transformation and exit. It analyses the relationship “entrepreneurial leadership-market orientation – organizational execution” (See Figure 1.).

According to Cris van Zyl, the technological developments, the acceleration of the scientific progress, the speed of receiving information (Internet), all the new knowledge, as well as the “global economic crisis” phenomenon make it imperative for organizations, educational establishments and their leaders in particular, to use the methods and patterns of entrepreneurship as an alternative to face new challenges. (Chris van Zyl, 2007; 32)

![Diagram](https://via.placeholder.com/150)

**Figure 1.** Concept model of entrepreneurial leadership (Chris van Zyl, 2007; 23)

The author of the model provides empirical proof for the statement that entrepreneurial leadership, as a modern management theory and practice, is a highly applicable concept in business as much as in the academic environment. The application of entrepreneurial leadership requires innovations in education, suitable to the context of the organization or academic environment, predetermining a different array of factors that may influence the implementation of modern leadership.

**TO SUMMARIZE**

- Leadership is a complex phenomenon; various approaches and concept networks may be used for its identification, description and explanation.
• The key variables of leadership are: the leader, the members of the group, the situation, the outside environment, the tasks and goals of the group, influence and trust.
• The academic environment may be: *global, international, national, working and inter environment*.
• Situational leadership theories have an important role in clarifying the role of leadership in an academic environment.
• Successful modern leadership requires from the academic leader to consider an array of influencing factors, predetermining in one way or another, his effective behavior.

**REFERENCES:**
WHAT DOES A LEADER ACTUALLY DO?
Research on leadership and leadership theories outline the basic leader’s functions, regardless of social & demographic, cultural, educational, economic, religious, and other aspects:

- **The leader must be oriented towards the task and the relationships** - According to the behavioural theories, whether the leader’s behaviour is oriented towards tasks or towards relationships is in connection with the leader’s effectiveness. Leaders who are able to demonstrate concern for both people and tasks are more likely to be successful. The knowledge of their own leadership models will help the leaders find out whether there is a shortage in any of these areas, and the behavioural theories will offer him/her solutions for handling this problem.

- **What is important are the personal qualities** - Attention to relationships requires sensibility to the subordinates’ problems, to their needs and worries. The emphasis on communicative abilities, especially the ability of the leader to actively pay attention, is one of the best skills in interpersonal interaction and relationships.

- **The leadership has two sides** - Leaders have some effect upon their followers, but the followers also affect their leaders. The effective leaders learn how to delegate tasks and responsibilities. This gives the leader time to work on other tasks, to be more efficient, and, at the same time, to have an effect upon his/her followers by presenting challenges in their work and possibilities for their career development and personal perfection.

- **Leadership means flexibility** - Effective leadership means correct behaviour but in the right situation. One of the ways to be flexible is to do an objective situation analysis prior to accepting the respective behaviour. Sometimes leaders use the same style in all situations, perhaps because it is the easier way. However, the modern situation theories maintain the thesis that adaptive leaders are more successful.

- **Leadership is setting objectives** - The modern surveys have proven that effective leaders set objectives. Furthermore, they use the objective setting process to motivate their followers, to form expectations, to supervise task fulfilment, and to provide communication feedback by means of planned objectives. This way leaders improve performance, correct errors and set new objectives.

- **Leadership is decision making** - Leadership decision making is a particularly important but also a very complex process. This process depends on the external and internal variables of the organization. Depending on these variables, certain decisions require authoritarian attitude, others – approach of participation. The answer to the question “which is the right path?” has at least two sides: knowledge of the environment and the leader’s adaptation to the choice of management style.

- **Leadership means creation and management of innovation** - The modern environment makes it imperative for the leader to act flexibly, to be similar to an entrepreneur – innovator, emphasizing the two entrepreneurial and management functions – to create innovations, and to understand, form, and develop market opportunities.
CHARACTERISTIC FEATURES OF THE WOMEN IN HIGHER EDUCATION, THEORIES FOR LEADERSHIP CHARACTERISTICS

Among the early attempts to describe what leadership is, we often come across the concept that people’s ability to have an effect upon other people is due to certain personality traits (qualities) of the leader. These theories are also labelled “universal”, they search for the main characteristics of effective leaders, maintaining that leaders with such characteristics would be successful regardless of the situation. These theories are particularly suitable for studying the characteristic features of female leaders in higher education.

In these early approaches, it was accepted that women leaders were born; they do not become leaders later in their lives. Leadership consists of certain inherited characteristics or traits that distinguish the leader from his/her followers. This is the theory of so-called great man. The proponents of this theory would say that if important historical people, such as Julius Caesar or Jeanne d’Ark had been alive, they would have been leaders nowadays too on account of their natural leadership capabilities. Of course, there is no evidence for this assertion, but that does mean that this theory is not true today.¹

Since the beginning of the last century, psychologists and sociologists have made hundreds of attempts to isolate the concrete characteristics related to leadership success. Large portion of them include physical features such as height, appearance, energy, as well as other traits such as intelligence, domination, achievements, leadership capabilities etc. Among the important dominant characteristics of female leaders are: responsibility, security, devotion, attitude towards others, concern, which are all characteristics of great importance to effective leadership. (Hofstede, 1980; 56-59).

One of the most significant discoveries in this theory is that the intellect of the female leader, whether in higher education or another social sphere, as well as the other leadership characteristics, must be higher but close to her subordinates’ intellect. Otherwise, the significant difference in their intellectual level, for instance, could make the relation between them non-functional and ineffective. In other words, the woman leader could have problems conveying her ideas to her subordinates and pursuing her policy. A woman leader who is on a very high or low intellectual level in relation to her subordinates could lose the respect of her subordinates, which is equal to losing her ability to influence their behaviour.

During the 1950’s, the father of modern sociology, Max Weber, was also interested in the issue of leadership characteristics. Among the multitude of such characteristics, he distinguished a particularly important one, “heaven’s blessing, something bestowed by God” – charisma. According to Weber, charisma is the ability of a person to be more attractive and magnetic in cases when he/she has to fulfil the task. This is why the charisma of the female leader in higher education has significant effect upon her followers. The latter are attracted by the magnetism of the female leader, by her talents and ability to respond. (Weber,1992; 55).

¹ The tradition in some countries of putting relatives of some famous and achieved people to be on powerful government positions, might mean that there is a common idea or belief in the inborn leadership capabilities
At the beginning of the 1970’s, Edwin Giselle created one of the most popular leadership characteristics theories (Hristov, 1993). After having tested various prosperous leaders, half of them women, he arrived at the conclusion that the most common trait of the leader’s success is his/her leadership capability, that is, his/her skills to direct other people’s work, to organize and unite their activities in order to achieve goals. According to this theory, the necessity of uniting, i.e., building up relationships, is a trait which manifests itself more often in women than in men. Only then, do come other traits, such us need of professional development, intellectual abilities, resolution, and self-confidence, matter.

During the 1980’s, studies focused not on individuals but on more complex leadership characteristics. For example, Warren Bennis explored 90 distinguished leaders and their subordinates. He identified four common characteristics and abilities which the leaders of the new century have to possess and develop, regardless their sex, age, or cultural belonging: attention management, that is, the ability to impress on subordinates the point of the expected result, the objective, or the trend that is attractive for the followers; meaning management, that is, the ability to create and suggest clear and understandable objectives; confidence management, the ability to manifest yourself as a reliable and stable person in order for people to feel that they can rely on you; self-management, the ability to know oneself and use one’s abilities depending on one’s strengths and weaknesses (Donnelly, Gibson, Ivancevich, 1997; 321).

Despite the more complex character of recent research, the main problem of this initial approach towards leadership understanding is quite general. It is very unlikely certain leadership characteristic or characteristics of women leaders in higher education to be connected with effective leadership in all situations. The contemporary world of academic institutions and their environment is too complex for one leader to be universally successful. Moreover, the precision of studying and application of leadership characteristics requires clear and unambiguous difference to be made between inborn qualities and accepted leadership capabilities in the academic work. Last but not least, the following categories should be defined: organizational effectiveness and organizational success, which closely correspond to the leadership characteristics in question.

It is important to know that woman’s qualities, such as care, concern, responsibility, need for security, desire to establish relationships, etc. play a significant role in her acceptance and recognition as a leader. Moreover, in many cases, knowledge of the qualities of the woman leader in higher education could predetermine the success or failure of her leadership behaviour to a great extent.

**BEHAVIORAL THEORIES**

According to behavioural theories, female leaders could be better classified depending on their methods of behaviour (styles). These theories direct their attention to what the woman leader does in the management process. This approach is known in literature as “behavioural” approach or “management style determination approach” because it generally presumes that the effective leadership is a function of the leader’s behaviour, of his/her style.
RESEARCH OF THE UNIVERSITY OF MICHIGAN

During the 1950’s, a team from Michigan University carried out research in order to find out whether there were differences between the leadership behaviour of highly productive and low productive teams. This research had much to do with the name of Rensis Likert and his followers. The research workers defined two types of leadership behaviour (leadership styles): oriented towards the work (tasks) and oriented toward people (relationships).

- The style with orientation towards work is characterized by: determination of standards of performance; distribution of tasks; control over performance; stimuli for encouragement of production. This style is more typical for work teams with low productivity;
- The style directed towards people is characterized by: encouragement of employees in the decision making process; creation of effective work relationships; solution of purely human problems. This style is more typical for work teams with high productivity (Cole, 1995; 198; Donnelly, Gibson, Ivancevich, 1997; 323; Hellriegel, Slocum, 1993; 478).

Research results from the Michigan University led to important conclusions about the understanding of the behaviour of female leaders in higher education:

- The female leader in higher education could be orientated towards work or employees but not towards both at the same time;
- The woman leader must exercise influence directed towards providing resources and support for her followers;
- The effective female leaders in higher education must adapt the active role of the leadership by means of setting objectives and leading behavioural paths, and, at the same time, give their subordinates liberty for action, for example, with what rate and where the work should be done;
- Effective women leaders in higher education must be more inclined to pay greater attention to their subordinates than to how their superiors would look on them;
- The interest in her subordinates by the female women leader gives her followers a sense of belonging to the team, organization, etc;
- The effectiveness of the woman leader in higher education could not be assessed solely by the productivity criterion. Other criteria must also be taken into account: employees’ satisfaction, fluidity of work force, etc.

ROBERT BLAKE AND JANE MOUTON’S LEADERSHIP GRID

One of the most successful and widespread applications of behavioural theories is known as Blake Mouton managerial (leadership) grid. This program for leadership interpretation includes two dimensions: emphasis on people and emphasis on production. They are attitudes, i.e. they are related to opinions, and should be partially distinguished from the behavioural dimensions identified by the Michigan University and the Ohio University. The main principle of the leadership grid is that the best female leaders in higher education are those who show both concern for production and orientation towards people.

According to this theory, female leaders in higher education should be evaluated according to two nine-degree scales; the first one evaluates the result the woman leader has achieved from production, and the second – the attitude of the woman leader towards people. The best
leader gets result 9.9, that is, a person with strong orientation toward both production and people. The worst leader gets result 1.1, this person is with weak orientation toward production and people. (Figure 1) Stating that there is only one best style, 9.9 style, this leadership grid accepts an all-purpose approach which is a deviation from the results of the research at the Michigan University.

```
<p>| 9 | 1.9 | | 9.9 |
|---|-----|---|     |
| 8 |     |   |     |
| 7 |     |   |     |
| 6 |     |   | 5.5 |
| 5 |     |   |     |
| 4 |     |   |     |
| 3 |     |   |     |
| 2 |     |   |     |</p>
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<th></th>
<th>9.1</th>
</tr>
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<tbody>
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<td>3</td>
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</tr>
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</tr>
<tr>
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<td></td>
<td></td>
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</tbody>
</table>
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Figure 4. Leadership grid

Concern for task execution (from 1 to 9) is indicated on the horizontal line, growing bigger in the right direction, and on the vertical line it is indicated concern for people, growing bigger in upward direction. The combination of the two evaluations (on the horizontal and the vertical lines) situates the concrete leadership style in the leadership grid. When the crossing point of both coordinates is under the diagonal line connecting 1.1 – 9.9 points, the concern for task execution prevails; above this diagonal line stay the leaders for whom people and working relationships are more important. The typical styles could be given in the following way:

- **1.1 style.** Weak (helpless) management or tedious leadership. Minimal efforts for both work and people. This position is not durable because such leader would have great difficulties in defending his/her position;
- **9.1 style.** Exhausting style. Work is everything. We are here to work, not to be pleased. There must be clear rules, responsibilities, hierarchy, control, sanctions;
- **1.9 style.** Country club (“the nice guy”). People are in the centre of attention because of the belief that creation of friendly relationships is the alpha and omega of the productive joint work. The good working atmosphere motivates people to achieve better results;
- **5.5 style.** In the middle of the road. Through his/her action the leader provides balance between work results and work morality on the minimal level – the work “somewhat” goes, and the morality is “satisfactory”. No superabundance!
- **9.9 style.** Team style. According to the authors, this is the best style, which leads to the execution of work and high work morality. The leader contributes to maximum extent
to both the good work execution and to the development and maintenance of the relationships within the team.

The practical applicability of the leadership grid has to do with the training and development of women leaders in higher education, and what is more important, with the organizational change which includes six phases and has important correlation to the communications and the planning processes in the organization:

- Testing the two main leadership grid dimensions for ascertaining the characteristic style of women leaders;
- Creation of working teams in working situations in academic institutions;
- Building up cooperation within the teams and the organization as a whole;
- Creation of a strategic model for organizational change in the academic environment;
- Working out a plan and methods for specific changes within the teams and subdivisions of the educational structure;
- Systematic and critical consideration of the change progress and making new plans in connection to leadership development in the academic environment.

TO SUMMARIZE

- There are various definitions and theories of leadership which put an emphasis on various aspects related to it: personal characteristics, the leader’s behaviour, work situation characteristics, etc.;
- The theories about leadership characteristics seek for the key characteristic or the set of key characteristics possessed by female leaders in higher education, maintaining that leaders with these characteristics will be successful, regardless of the specific situation and the academic environment;
- Behavioural theories expand the understanding of the context of leadership, paying attention to the behavioural styles of female leaders in higher education in the management process (making management decisions, showing concern for work tasks and organizational relationships), to the subordinates’ (followers’) characteristics, and to the forces of the organizational environment – external and internal.

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