

## The Impact of the Management Style on Effective and Efficient Management of the Public Institution

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### Abstract

*Factors related to management style highlight the leadership qualities expected from effective and efficient managers, which they combine, while performing managerial functions to provide direction and good coordination of subordinates. The success or failure of managers in managing the factors related to the management style influences the managerial effectiveness and efficiency. In this paper we aim to quantify the impact of factors related to management style on the efficiency and effectiveness of public institutions. The investigation carried out within three public institutions reveals that in the perception of the responding managers the factors related to the management style do not have a significant impact on the efficiency and effectiveness within the public institutions due to the reduced autonomy of management and bureaucratic rigidity.*

**Key words:** management style, managerial activities, efficiency, effectiveness, public institutions  
**J.E.L. classification:** M12

### 1. Introduction

Public institutions, similar to other organizations, operate in an environment (with internal and external sides). The external environment (society) is made up of other organizations, people and entities. The general external environment includes socio-cultural, legal, democratic and political institutions, economic and technological conditions, etc. They have a direct or indirect influence on day-to-day activities and on the management of public institutions. As a result, the success or failure of the management of public institutions cannot be explained outside the external environment in which they operate (Schutt, 1986; Daft 2008; Daft et al., 2010; Luthans et al., 2016).

The external environment consists in the circumstances and conditions that surround the organization. It includes the national, socio-political and cultural conditions in which all organizations operate. Organizations operating within the same culture have the same general external environmental forces. Organizations operating in a corrupt environment are more likely to be influenced by corrupt norms and values (Naoum, 2001). Organizational strategies are substantially influenced by the essential characteristics of the environment, culture, history and customs of such institutions that reflect the country's policy in general (Varzaru and Varzaru, 2009, 2013, 2016; Bocean and Sitnikov, 2015; Sitnikov et al., 2017). Based on these considerations we can say that the factors that influence the efficient or inefficient management of public institutions include: environmental factors, organizational factors, manager-related factors, employee-related factors, job-related factors (DuBrin, 2011).

The paper aims to determine the impact of factors related to management style on the efficiency and effectiveness of public institutions. After an introduction and a presentation of the theoretical foundations, we presented the research methodology and the main results of the research, as well as the conclusions drawn from the research.

## 2. Theoretical background

Factors related to the management style refer to the behaviors of public sector managers. These include: communication, the perspectives in which managers look at subordinates, the quality of leadership, the intimidating nature of the management style and the trust given to employees (Luthans et al., 2016).

Good communication, treating subordinates with respect, good leadership of managers in public sector organizations increases understanding, trust, mutual respect, unity of purpose, desire to submit to managerial authorities and inspire cooperation. They reduce the tendency to aggression and intimidation. Treating subordinates with disrespect, aggressive behavior, lack of communication and intimidation lead to tension and loss of cooperation with employees. These are the result of poor leadership leading to a loss of confidence and, consequently, to a decrease in the efficiency of employees in public institutions (Daft, 2008; DuBrin, 2011).

## 3. Research methodology

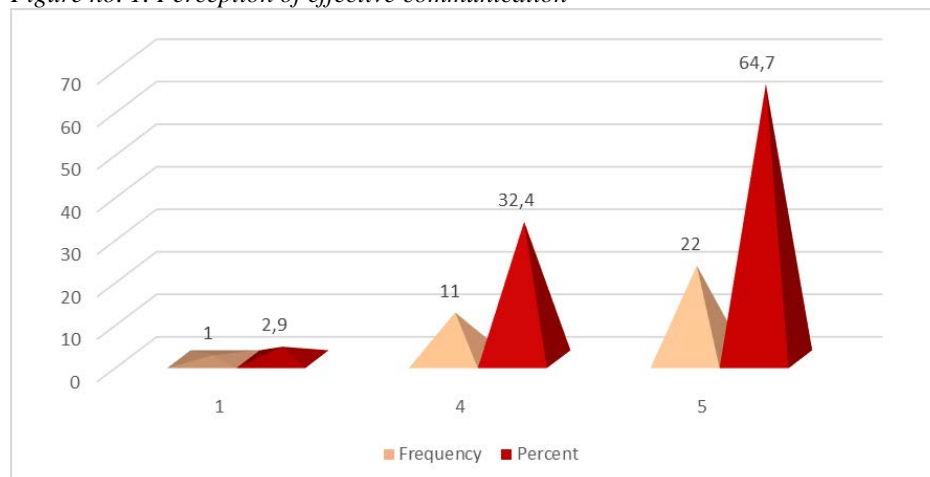
In order to examine and explore managers' perceptions on the effectiveness and efficiency of public institutions management, we undertook a qualitative study on a sample built of 34 employees, working in the management of three public institutions in Dolj County: Alexandru and Aristia Aman County Library, City Hall Craiova - Tax Department, respectively Salubritate Craiova, which provides public services as a sanitation operator with delegated activity on the territory of Craiova municipality. Therefore, this company complies with most of the rules imposed on public institutions. In the building of the sample we used the method of stratified sampling proportionally combined with the method of random sampling, used within each layer.

Following the investigations undertaken on the specialized literature, we formulated a hypothesis that will be subject to validation: Factors related to the management style have a small influence on the effectiveness and efficiency of the management of the public institution. For research we will use statistical analysis of frequencies and analysis of multiple linear regressions.

## 4. Findings

The investigations of the hypothesis involve the analysis of the answers obtained in the questionnaire addressed to managers. Analyzing the perception of managers regarding effective communication, it can be seen that 64.7% of the surveyed managers give a maximum level to this variable (figure no. 1). It can be observed from the analysis of figure no. 1 that there is only one manager who gives level one to this variable, which shows that in the public institutions covered by the study managers believe that only through an effective communication it can achieve an effectiveness and efficiency of the public institution.

Figure no. 1. Perception of effective communication

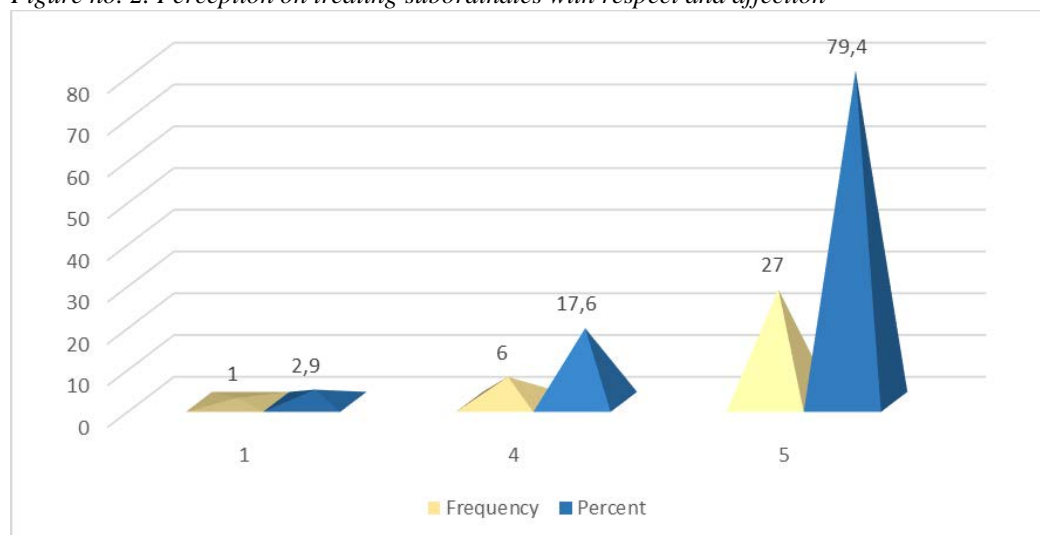


Source: Prepared by the author

Investigating the perception regarding the treatment of subordinates with respect and affection, we noticed that a very large number of respondents (79.4% of the total respondents) appreciate at a maximum level the treatment of subordinates with respect and affection (figure no. 2).

Only 2.9% of respondents, ie only one, said they were dissatisfied with the way employees are treated with respect and affection, this being the respondent who is dissatisfied with the way of effective communication within the public institution, the two answers being correlated.

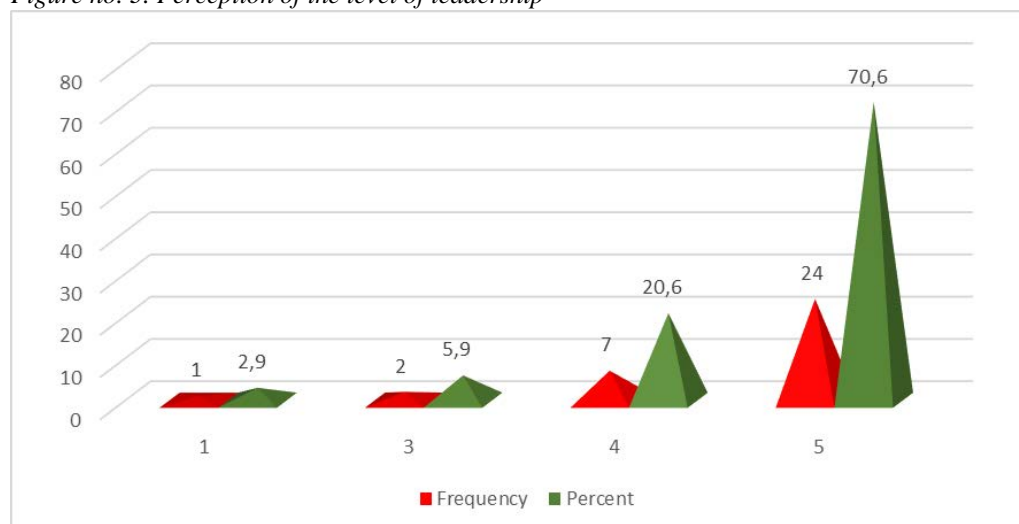
Figure no. 2. Perception on treating subordinates with respect and affection



Source: Prepared by the author

Analyzing the perception regarding the leadership level, it can be seen that 70.6% of the surveyed managers give a maximum level to this variable (figure no. 3), and 20.6% are satisfied with the leadership level.

Figure no. 3. Perception of the level of leadership



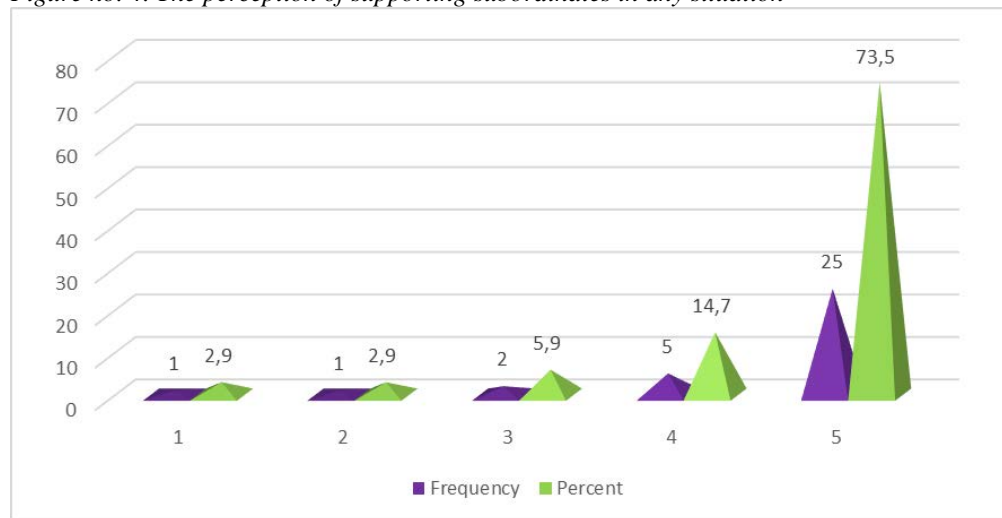
Source: Prepared by the author

From the analysis of figure no. 3 it can be seen that only one respondent (representing 2.9% of the total respondents) is totally dissatisfied with the level at which the leadership is placed, and two (representing 5.9% of the total respondents) are in positions neutral.

Researching the perception of supporting subordinates in any situation we noticed that a very large number of respondents appreciate at a maximum level the support of subordinates in any situation (figure no. 4). Only 5.9% of the respondents surveyed, ie two respondents, said they were totally or partially dissatisfied with the level of support of subordinates in any situation, and two of

the managers (representing 5.9% of respondents) placed on a neutral position, that of indicating an empathy and a strong support of the subordinates from the managers within the public institutions that were the subject of the research.

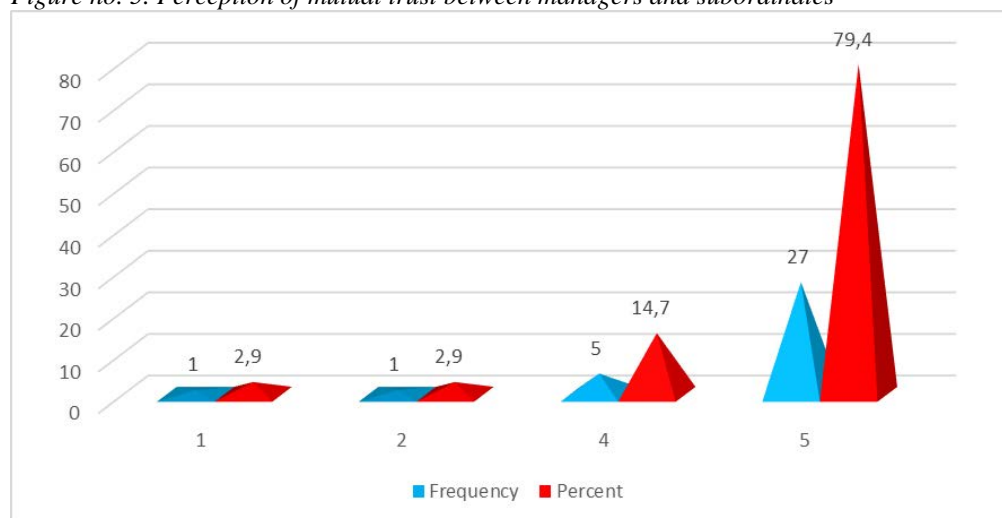
Figure no. 4. The perception of supporting subordinates in any situation



Source: Prepared by the author

Analyzing the perception of mutual trust among managers and subordinates, we can see a distribution relatively similar to that of the previous variable, with the difference that there are no managers placed at neutral level (figure no. 5).

Figure no. 5. Perception of mutual trust between managers and subordinates



Source: Prepared by the author

From the analysis of Figure 5 it can also be seen that the two variables are strongly correlated, given that a support of subordinates in any situation cannot be achieved without a high level of mutual trust between managers and subordinates.

To quantify the influence of factors related to the management style on the effectiveness and efficiency of public institution management we built two models of multiple linear regression having as dependent variables effectiveness and efficiency, and as independent variables managers' perceptions on the influence of factors related to management style: effective communication, treating subordinates with respect and affection, strong leadership, supporting subordinates in any situation, mutual trust among managers and subordinates.

In table 1 is presented synthetically the resulting linear regression model having as dependent variable the efficiency, and as independent variables the factors related to the management style.

Table no. 1. The multiple linear regression model applied to the variables that characterize the factors related to the management style and effectiveness

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	0,656 <sup>a</sup>	0,430	0,329	0,541		

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6,191	5	1,238	4,232	0,005
	Residual	8,191	28	0,293		
	Total	14,382	33			

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,761	0,613		9,395	0,000
	effective communication	-0,466	0,234	-0,554	-1,988	0,057
	treating subordinates with respect and affection	-1,068	0,401	-1,230	-2,665	0,013
	strong leadership	0,774	0,313	1,008	2,473	0,020
	supporting subordinates in any situation	0,219	0,209	0,319	10,050	0,303
	mutual trust among managers and subordinates	0,307	0,351	0,411	0,874	0,390

a. Dependent variable: effectiveness

Source: Prepared by the author

In table 2 is presented synthetically the linear regression model having as dependent variable the efficiency, and as independent variables the factors related to the management style of the manager.

Table no. 2. The multiple linear regression model applied to the variables that characterize the factors related to the management style and efficiency

Related to the management style and effectiveness

Model Summary						
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate	
1		0,484 <sup>a</sup>	0,234	0,097	0,847	

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6,139	5	1,228	1,711	0,165
	Residual	20,097	28	0,718		
	Total	26,235	33			

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,585	0,960		5,815	0,000
	effective communication	-0,712	0,367	-0,627	-1,940	0,063
	treating subordinates with respect and affection	-0,726	0,628	-0,619	-1,156	0,257
	strong leadership	0,771	0,490	0,744	1,574	0,127
	supporting subordinates in any situation	0,050	0,327	0,054	0,154	0,879
	mutual trust among managers and subordinates	0,375	0,550	0,371	0,681	0,502

a. Dependent variable: efficiency

Source: Prepared by the author

It can be seen from the analysis of the two linear regression models that the influence of factors related to the management style on effectiveness and efficiency (at the level of managers' perception) is low, the exogenous factors (constant) of the model having high values in relation to the coefficients related to the dependent variables, and the relevance levels of the model are low.

## 5. Conclusions

Following the research of the hypothesis that states that the factors related to the management style have a reduced influence on the effectiveness and efficiency of the management of the public institution we can say that this hypothesis is validated. The influence of factors related to the management style on effectiveness and efficiency is reduced, in the perception of managers of public institutions, due to rigid structures and strict formal relationships established at the level of public institutions, including the high degree of unionization. Deepening the analyzes undertaken under this hypothesis, we came to the conclusion as DuBrin, (2011) and Daft (2008) that treating subordinates with disrespect, aggressive behavior, lack of communication and intimidation lead to tension and loss of cooperation with employees. These are the result of poor leadership which leads to a loss of confidence and, consequently, to a decrease in the efficiency and effectiveness of employees in public institutions. However, the factors related to the management style have a small influence on the efficiency and effectiveness of the public institution.

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