

# The Crisis of Leadership in the Context of Globalization

Cristian Mosnianu  
"Ovidius" University of Constanta,  
Faculty of History and Political Sciences, Romania  
[cristianmosnianu@gmail.com](mailto:cristianmosnianu@gmail.com)

## Abstract

*Probably one of the most often invoked explanations for the economic, political or administrative disaster refers to the lack of leadership. In this paper, I set out to present the results of the analysis of the notion of leadership as well as how leaders choose to treat different organizational situations. Although I do not claim to possess the ultimate truth regarding the aspects researched through this paper, I believe that these aspects can add value to this major theme called leadership. In this sense, the novelty and scientific originality of the ideas obtained materialized in making clear opinions regarding leadership, management and their crises in the 21st century.*

**Key words:** leadership, globalization, pandemic, crises

**J.E.L classification:** F16, F40, F62

## 1. Introduction

In the 20th century, in the perimeter of economic sciences, a new notion took shape, namely that of management. Moreover, this gives you more and more to cover the one of leadership. A careful review of the specialized literature highlights the presence of three typical situations regarding the use of the notions of leadership and management. The first of these tends to identify the two notions. In those cultures where there are no distinctive terms to present the two realities, they are substituted, without differentiating in any way. In the case of the Romanian language, these terms were translated by the term management. The second situation is at the opposite pole, that is, it categorically differentiates the two elements, after analyzing certain criteria that characterize leaders and managers. The former focuses on style, staff, skills and goals, and the managers on strategy, structure and system. The third situation is intermediate and lies between the two extremes. Most consider that leadership is a part of management, maybe even the essential part. There are also points of view, less frequent, that present management as part of leadership.

In the specialized literature, there are several forms of leadership: predictive (that is, focused on the surprise and anticipation of the organization's future coordinates); strategic (focused on the strategy to be followed by the organization for its evolution); dynamic (conceiving and mastering the processes developed over time that ensure organizational success or failure); by exception (it focuses on certain problems or periods that deviate from the rule, thus constituting exceptions); through innovation (innovative transformations within the organization).

## 2. Theoretical background

Why are organizational goals so important in organizational theory dealing with power and politics? Because they provide rationale and legitimacy for resource allocation decisions. The "modern" structural school as part of the organizational theory gives great importance to legitimate authority (authority arising from the organizational hierarchy) and formal rules (promulgated and reinforced by authority) to ensure that organizational behavior is directed around the achievement of established organizational objectives.

The concept of management refers to the assumption of responsibility for the achievement of an objective and the efficient allocation of resources (material and human) for this purpose. On the other hand, the concept of leadership refers to the process of influencing and directing the members of the organization towards achieving the objective. Warren Benis and Bart Namus managed to summarize the difference between leadership and management in one sentence: "Managers are people who do things the right way, and leaders are people who do the right things".

As can be seen, the leader of the public organization has a variety of means of influencing subordinates in the direction of achieving the institution's objectives. All these elements can signify, from the perspective of an intelligent leader, possibilities of expanding formal power and influence on higher dimensions. The defining characteristic of the manager is his power over others.

The motivations of the leader are related to the realization of projects that lead to the development of organizations and the promotion of collaborators on higher levels of competence, compared to the individual who has strict personal reasons to dominate.

### **3. Research methodology**

The research questions set are "can leaders manage strategic crises?" and "can leadership combine resources with results?" The research is focused on all literature reviews, literature relevant to the research topic and research that has a qualitative and quantitative aspect, followed by interpretation and analysis.

### **4. Findings**

The identity of a crisis is not easy to present, but it also connects with other forms of manifestation: either from different or similar patterns. In crisis situations, survival instinct causes people to conform to the dominant political or economic power.

The lens of nature - through which every citizen looks, but perhaps especially the employee - shows that those in power should live up to their task. We are talking about fulfilling responsibilities for the benefit of organizations and/or nations. But this attitude, characteristic of healthy leadership, is "impeded" by at least two limits: the pursuit of obtaining the greatest possible results, with any effort - along with the obsession of reporting and comparing these effects. They can overshadow the well-being of organizations, companies and countries. Therefore, economic development risks turning from a desire of any state/leader, into an approach manifested on swampy grounds, "volatile, uncertain, complex and ambiguous" (Cris Pearse, 2018).

The current period is one of severe economic and social uncertainties. And because the key element of a crisis manifested in such a conjuncture is its recognition, the leader's response must not be late. Apart from the temporal reference, it is equally important that this response is effective (which, according to some opinions, does not exclude its improvised character (McKinsey&Company, 2020).

Of course, real leaders must manage crises coherently and creatively, even if - in essence - many severe crises are not predictable (or, anyway, not to the desired level).

Every time a detail becomes important: either the context, or the resistance to change, or the manner of action. But some crises generate martyrs, others - distorted leaders; some crises are useful, others destroy; some crises create new societies as suddenly as others topple governments.

We recall, as an example, the so-called "empty chair" crisis, triggered at the level of the former European Economic Community (EEC) in 1965, following the dispute related to the financing of the common agricultural market. The perception of an "independently" controlled market was not accepted by France, which withdrew for a period from the meetings of the Community bodies of those times (between July 1, 1965 - January 29, 1966). The crisis was ended by the "Luxembourg Compromise" (which admitted "the application of qualified majority voting" [General Secretariat of the EU Council, 2013:12]).

Even so, France's attitude at the negotiation table and the resolution of that problem remain evidence of the first struggles for economic power, at the European community level. At the same time, it certifies - over time - the fact that European leaders (countries and individuals) did not appear by chance.

If recognizing the signs of a crisis is part of a commander's training, then vigilance, cooperation and honesty must be some of his basic capabilities. For example, leaders of nations become great leaders when they manage strategic crises. They prove the legitimacy of public power when they make good decisions for the country - which are not necessarily egalitarian but can be fair and just for most of the population.

## 5. Conclusions

Leaders choose to treat crises only in one or two perspectives: either as a chance to win the confrontation based on the information they have, or as a test they are going through, even being defeated. Irrespective of the way followed in the management of problems (flexible or not), leaders must contribute to the generation and development of the feeling of belonging to the community, concerned with the promotion of its values. For the stated purpose, we consider that the SMART objectives (indicated in the projects of economic entities generating goods and services) can be extended to the priorities of the leaders of nations:

- ❖ "S" becomes a landmark of national specificity.
- ❖ "M" measures quantitative and qualitative indicators, monitoring the progress of a country.
- ❖ "A" aims both at allocating resources and assessing the most suitable ways of working, in correlation with the inputs.
- ❖ "R" implies the selective refinement (perhaps even elitist, - of a nation's values.
- ❖ "T" can finally appeal to the tolerance necessary for evolution - in the sense of accepting diversity.

But world leaders (from whatever field they may be) do not necessarily model viable and dignified behaviors; they don't always make the same sacrifices that they themselves ask of their own team members; I don't show a sense of responsibility in all situations that require it; they do not always resist the pressures imposed from outside or inside the organization. At least for the reasons stated, today the world is facing a leadership crisis, which must be managed alongside the other crises (democracy, health, energy, elites, cultural, etc.).

From another point of view, the radicalism of the present period brings back to our attention concepts such as protest (economic, social, civic, military), anti-authority and anarchy, which are added to individualism (addressed earlier in this book). Related to such manifestations, the reconfiguration of leadership under the conditions of the third millennium must try to break away from impulsive constraints (irritability, incitement, aggression or even violence). It is necessary to promote the goals of economic entities in non-discriminatory conditions, as personal / favoring variables cannot constitute fundamental and sustainable benchmarks of the decision-making process.

Quality leadership must "reconcile" not only the resources (inputs) with the results (outputs) - as was the case until now - but also orient to other considerations: technological atomization vs. computerization; micro-tasks indicated to employees vs. streamlining activities; pixelation<sup>276</sup> vs. the need for open spaces, etc. The stake of these actions (be they conversions, interpretations, symbolizations or catalysis) is the establishment of new competitive advantages, respectively comparative. They are intended to change the routines of companies, to provide instructions for everything, to capture and even monopolize the attention of the economic environment. There would be nothing offensive in these leadership concerns, if they were not sometimes exaggerated in corporations: too great demands, directed at employees; the consideration of the material sphere as pre-emptive, to the detriment of human values; finally, the known excessive orientation towards profit, as a brake on conviviality. As an example, there is nothing new in considering that "efficiency and super-modernity" are positioned at the center of the concept of global capitalism.

Therefore, creative solutions are imposed by virtue of an ultimately natural goal: that of winning. We look at atomization in the sense of minimizing the dimensions of some production factors or goods, respectively some of their components (fractions). Example: Office computers or medical equipment no longer have the dimensions of those of a few decades ago, at least because the constituent parts are no longer so large, and the operating principles are also modernized.

Vision obsession over all the details processed in video display systems. We refer to the recalibration of the value of some assets or properties, according to predominantly material criteria. Example: Gentrification is the action of revitalizing old or damaged areas or neighborhoods, through the intentional (planned) influx of wealthy residents. Apparently, it enables only innovative spirit and effort directed towards society. If the first stage of this process determines by itself the growth of Walloon: properties, the later stage involves the displacement of families with modest incomes and small companies - which either lived or previously worked in the area. They can withstand the financial pressure and leave the neighborhood, looking for cheaper locations.

The operation is completed in a hypocritical way: the "getting rid" of tenants with possible modest (unwanted) monetary returns takes place without appearing to be a request of the project, d: deliberate decision of those who leave the area. We regard conviviality as a set of relationships between people or groups belonging to the same entity (society, corporation, firm), which is based on their ability to tolerate and respect each other, even if they do not understand each other completely.

## 6. References

- Bennis, W., and Nanus, B., 1985. *Leaders: The Strategies for Taking Charge*. New York: Harper & Row
- Cris Pearse 2018. *5 Reasons Why Leadership Is In Crisis*. [online] Available at: <https://www.forbes.com/sites/chrispearse/2018/11/07/5-reasons-why-leadership-is-in-crisis/> [Accessed on 05.12.2024]
- McKinsey&Company, 2020. *Leadership in a crisis: Responding to the coronavirus outbreak and future challenges*, March 16, 2020. [online] Available at: <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/leadership-in-a-crisis-responding-to-the-coronavirus-outbreak-and-future-challenges> [Accessed on 05.12.2024]