Implications of Modern Leadership Styles on Managers' Organizational Behavior

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Abstract

Leadership results from the action of a large number of factors, among which an important role is played by the organizational culture, leaders' qualities and characteristics, motivation tools, hierarchical position, functional and psychological autonomy, groups of managers and subordinates and information system. In turn, these factors are found in an interdependence relationship, forming a system in which any modification of an element affects the other elements. In such a system, leadership, as a reflection of managers' behavior in relation with subordinates, collaborators or hierarchic bosses, shapes itself as a resultant. From the point of view of managerial practice, the major issue of leadership lies in increasing its efficiency and effectiveness, subordinated to achieving the best possible results by the organization. The purpose of this work is focused on analyzing how leadership modern styles influence the organizational behavior of human resource managers.

Key words: organizational behavior, management, human resources, leader, efficiency
J.E.L. classification: M12, O15

1. Introduction

The first research on leadership was undertaken around the year 1920 starting from the premise that a good leader is born a leader and not further shaped into one. In these circumstances, this research focused on identifying the traits needed for a successful leader. It was hoped that, consequently, the people to be designated in managerial positions would be thus characterized. However, this research did not lead to conclusive results, which caused further studies to be oriented towards other directions.

During the past decade, leadership has outlined itself as a major management component with a special specificity and autonomy and exerting a major influence, not seldom even decisive on the performance of the organization. At present, research on leadership is highly diversified, with two basic approaches being distinguished: the *psychological approach*, where informal leaders and research starting from *concrete management situations* and managers' action within these organizations have been specifically targeted.

Leadership as a current management element carries a variety of approaches. One of the most prominent American authors, S.C. Certo, in one of his well-known work, defines leadership as the process of influencing, in a given organizational context, the behavior of others and their coaxing to act in a certain way or follow a course of action as to create the possibility to accomplish the objectives set (Certo, 2018, p. 116). According to this approach, the leadership inspires, motivates, directs the work of others in view of the achievement of the objectives of groups or organization. In the vision of Jacques and Clement, leadership is the process whereby a person establishes a purpose or direction for one or more people and persuades them to act together with competence and full dedication toward their fruition (Nicolescu, Verboncu, 2018, p. 375).

Leadership directly influences the manner of adopting decisions aimed at issue solving or economic process evolution correction. A good manager is constantly informed about the organization's problems, focuses on key priority areas, trains their subordinates for continuous

innovation actions and is concerned about ensuring their motivation. In turn, a leader possesses specific skills, is effective, quickly observes activity deviations and makes effective decisions. Leaders operate through a series of tools for staff training and motivation aiming to promote organizational objectives and decisions implementation.

2. Literature review

Following the approaches in specialty literature has enabled us to establish three typical situations on how to use the *leadership* and *management* concepts:

- *Identification of the two notions*, when the authors use the two concepts randomly, resorting to one or the other as the context requires, without the express intention of distinguishing them. Such an operational method occurs mainly in those cultures where there are no distinctive terms to designate the two realities; It is also the case of the Romanian language, where these two terms were translated by the term "leadership".
- *Categorical differentiation of the two notions*, being a typical opposite situation consisting in drawing an express separation between managers and leaders; According to this, leadership is preoccupied by the determination of vision, directions of action and main human approaches, while management's object of activity is effectively operationalizing all these directions and approaches.
- An *intermediate situation*, which establishes a relationship of the two notions as part and whole, so that most authors appreciate that *leadership is an essential part of management*, constituting one of the ways in which management ensures organizational efficiency. The standpoint according to which management is a part of leadership, namely one of the tools through which leadership is achieved is also present, albeit at a lower frequency.

There are also authors who consider that none of the typical situations encountered in specialty literature on how to use leadership and management notions is satisfactory. One of them, M. Zlate, proposes an authentic solution regarding the postulation of partial coincidence relationships of the spheres of the two notions, meaning that leadership and management, leaders and managers have their individual elements which ensure individuality and relative autonomy, but also a number of common elements, which facilitates their mutual interaction and empowerment (Zlate, 2017, 222).

In addressing leadership issues, the concepts of *manager* and *leader* are implied. The leader is generally considered to be any person with the capacity to establish objectives and action methods that is of interest for a group of individuals and get them affectively and actively involved in their operationalization. Such an approach on leadership is generally valid for any field of activity and in any situation, it does not refer only to organizations.

Research regarding managers and leaders lead to a criteria system according to which their analysis and characterization are made and the conclusion being the obtaining of major differentiations between the two categories. The main criteria and major differentiations between managers and leaders are presented in table 1.

Table no. 1 Differences between leaders and managers

Categories of leaders	Criteria			
	Purpose	*Conception on work*	*Relationships*	*Image of self*
MANAGERS	Manifests impersonal, passive attitudes	Coordinates and balances work. Resorts to value compromises	Does not involve too much in the relations with the others	Identifies with the need to maintain current order, are more conservatives
LEADERS	Manifests personal, active attitudes	Stimulates work, offers and creates possibilities to choose it	Are empathic, pay attention to the significance of actions and events	Have a weaker self-identity being oriented towards change

Source: Adaptation after Zlate, M., 2007, 219

Compared to the leader, the manager is that person who actually holds a managerial position, which means that other constituents of the organization are directly subordinated and who, by virtue of the tasks, competences and responsibilities of the occupied position makes decisions and initiates actions directly influencing other people's actions and behaviors (Zlate, 2014, p. 177).

If the manager's main concern is that tasks are met, according to Professor P. Nica, the leader focuses his attention on the people who fulfill these tasks (Nica, Iftimescu, 2014, P. 321). To be successful in business, managers rationally distribute their attention to the processes within the organization as well as to the people carrying out these processes.

The hierarchical position and power displaying manner influence the management style, in the sense that a group is easier to run when the manager is on a higher hierarchical level and his position is more powerful; The value system puts its strong mark on leaders' attitude and behavior.

Autonomy, appreciated as per the time during which a manager can exercise his own duties and responsibilities without resorting to the hierarchical head, depends both on his psychic structure and hierarchical position. Autonomy targets both the conceptual and action fields. Both groups of managers and subordinates, through the level of training and education, skills, cohesion, solidarity and current dominant views, influence the adoption of a participatory leadership style where either creativity or an authoritarian, rigid style that causes interpersonal tension and frustrations is stimulated. Knowing the specifics of the activity and the groups of people they lead, leaders can improve their behavior by adopting the most appropriate leadership style. Due to this fact, each leader has their own original style and not an ideal unique leadership type.

The actions and behavior used mainly by managers as well as the method to conceive and conduct managerial processes and relationships differ to some extent from one case to another. In most organizations, the type of manager and its management style have a wide generation that involves taking into account the assembly of main elements that condition leader's reckoning and acting.

3. New types of leadership applied in modern organizations

In specialty literature there are some authors who consider that the leadership styles coincide with the managerial styles, but there are other authors too who indicate that naturally the leadership styles are organically related to the managerial styles with which they overlap to a considerable extent, but compared to which, at the same time, they also present certain specific elements. The latter category also includes Professor Ovidiu Nicolescu who has created a typology of the new styles of leadership according to several criteria (Nicolescu, 2018, p.385).

A first classification, demarcates according to the managerial and psychological characteristics involved, three styles of leadership:
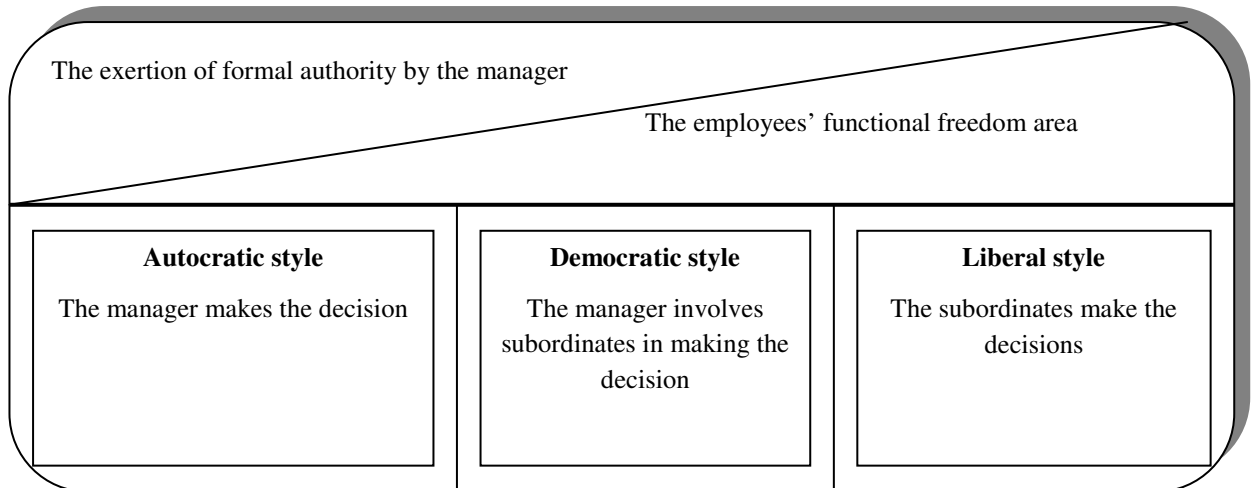- Autocratic, characterized by a strict supervision of the subordinates by the head, information flows mainly directed upwards, fear acting as a control mode.
- Liberal, by which, within the general directions of action established by the senior management, very large freedom of action is offered to subordinates, the control being almost null.
- Democratic, whose main dimensions are sociability, flexibility, cooperation, good communications upward, downward and horizontally, spirit of openness and friendliness in the organization.

Being consistent with the characteristics of leadership and managerial style presented and adopting the conclusions of the last studies in the field, of the three styles, only the latter -the democratic one we consider as representing both a managerial and leadership style.

The positioning of the three styles in relation to the manager's power exertion and employees' functional freedom rapport is represented in figure 1.

Another typology partially different from the first, brings as novelty the symbiotic leadership, which appears alongside the autocratic and participatory one. The basis of symbiotic leadership is the mutual trust between the manager, subordinates and the other individuals within the organization. This form of leadership encourages maximum contribution for each component of the organization.

Figure no.1. Management styles and managers' power exertion

The exertion of formal authority by the manager

The employees' functional freedom area

Autocratic style	**Democratic style**	**Liberal style**
The manager makes the decision	The manager involves subordinates in making the decision	The subordinates make the decisions

Source: Adaptation after Petrovici (2007, p. 279)

The division of leadership styles according to the scope of staff within the organization has resulted in two new styles:

- Interpersonal leadership, achieved through direct, face-to-face relationships of the head and subordinates, being, in fact, the classical type of leadership.
- Organizational leadership refers to either the organization as a whole or its major components and is not limited to employees directly subordinated to their management, ensuring a foundation clearly superior to the effective interpersonal leadership.

Another approach belongs to Professor P. Nica who presented three new styles of leadership in one of his well-known works (op.cit. p.354):

- Charismatic leadership, whose success is achieved through the manager's sensitive ideas brought to subordinates or potential followers, for instance those of religious nature, the national problem or aspects related to social welfare and injustice, as well as unconventional problem solving solutions.
- Transformative leadership, which is based on the development of a set of procedures that ensure organizational success by profoundly influencing subordinates' beliefs about what an organization would become; this style of leadership creates the feelings of responsibility and duty towards the organization, stimulating new ways of approaching and solving problems.
- Transactional leadership, in which the leader orients and motivates subordinates in the direction of setting the objectives by clarifying the role and tasks that they have to fulfill, being effective in organizations where the problems are simple, clear and of a strictly professional nature.

Characteristic to some modern organizations is the fact that, between employees, the collaborative professional relationships are hierarchically administrative and subordinately operative. Within the relations of administrative hierarchy, each employee is directly subordinated to a single head, through which the transmission of any provision is made. The other managers on higher levels in the hierarchy can send provisions even directly, but in this case, the one who receives the task is obliged to directly inform the manager.

Regarding the type of manager and leadership style existing within the group of railway organizations, based on the results obtained by the author in the research on the analysis of labor relations and social climate, undertaken on two distinct and representative groups of employees within "CREIR CF" Branch Constanţa, the following types have been identified (Daneci-Patrau, 2013, p.27):

- In three of the nine railway stations, the existence of an autocratic leadership style was identified which imposed a structured climate, characterized by a severe control by the direct manager; the station managers demand punctuality, order and superior efficiency; the employees have the perception of a cold, distant, inaccessible station manager; as such, they

are afraid of their superior.
- In the other six stations of the traffic section, the existence of the *permissive climate* was identified, characterized by a management style that offers freedom of action; the unit manager, respectively the station manager does not intervene directly in the activity of exploiting the railway infrastructure, rarely controls and once in a while imposes restrictions.
- Within the group in the central management structure of the branch, the style identified was *democratic*, whereby the manager allows the subordinates to express their opinion in relation to the activities of the office or service; everyone is involved, the boss is a leader and at the same time a member of the group; thus creating team spirit.

The establishment of such a climate is the goal of most modern managers. A democratic climate is one in which employees want to achieve what the manager wants to be done.

Due to the specific nature of the railway transport activity, the employees of the railway companies concur directly for the safety of the rail traffic, therefore they are obliged to prove high discipline, based on the need to perform the job's tasks. In the railway transport system, the discipline involves a subordination of each employee to the hierarchical leaders and requires the strict compliance with the orders of the direct hierarchical superior, the specific norms established by railway instructions and regulations.

Given the leadership style practiced in the railway transport activity, we consider the permissive climate perpetuating a threat to its future activity, this liberal climate becoming dangerous, especially for new inexperienced employees, who need discipline. From the survey based on the questionnaire and direct observation used in the research carried out, we found that the railway staff in the railway stations do not use their working time effectively and are less motivated to perform the specific tasks of the job description, when a leader is missing.

Among the new types of leadership, in the analyzed railway branch it was identified as frequently practiced the interpersonal leadership, characterized by daily direct rapports between manager and subordinates, especially in the local railway subunits, and central management body, the charismatic leadership, practiced by the regional director, who being young and having worked for eight years in the field, based his success on using unconventional problem-solving solutions.

In the railway transport system, organization's union leaders and railway companies' managers face more problems that require effective and efficient solutions, but which also generate important adverse reactions. The massive staff reductions, the activity restructuring by giving up some traditional operations and the development of new ones, which require other skills and abilities, have proved to be unpopular, generating union movements or adverse reactions from their own staff. In response to these situations, railway companies' management is oriented towards the adoption of new leadership styles that will lead to the increase in the employees' involvement in solving major problems. However, the implementation of these new measures requires a certain period of accommodation and high potential to assume responsibility by railway managers.

4. Efficiency and effectiveness in the activity of human resources managers

Any managerial approach involves efforts and effects. Efficiency results from their comparison. To this, effectiveness is added, concept with ample echoes on the manager's activity and its implications.

Efficiency involves *doing things the right way*, and refers to the relationship between inputs and outputs, representing a measure of how productively the resources of the organization have been used to achieve the goals. The human resources management also considers the establishment of the most appropriate objectives and activities necessary to achieve them. In managerial terms, this ability is called effectiveness and involves setting the most appropriate goals and *doing the right things* to achieve them.

Although efficiency and effectiveness are different terms, they are usually closely linked to the functioning of an economic organization. High efficiency is often accompanied by good effectiveness. Poor management is often explained either by inefficiency and ineffectiveness or by efficiency produced through ineffectiveness. Regarding the efficiency of the managerial style, this is determined by the way in which the adoption of that style manages to increase productivity. Thus, the essential role in ensuring the efficiency of the style rests with the leader's managerial

capacity. *Managerial capacity* means an ensemble made up of three basic elements: *knowledge in the field of management* - which is acquired, *social responsibility* - educated or imposed and *managerial talent* - sometimes innate, it is shaped, educated and developed in the work process.

Figure 2 presents comparatively the characteristics of the efficiency and effectiveness of the manager's work, resulting from the two significant aspects that a manager must take into account when conducting the activity, namely: *what to do* and *how to do* it. What matters most in successfully managing an organization is the manager's ability to know how to put into practice this set of elements of managerial capacity, but also how to make them operational within the management activity. Important for the effectiveness of the managerial style are the psycho-social relationships between managers and subordinates, who support and nurture cooperation within the working group. These relationships also imprint the climate that develops within the organization, being the result of the specific way in which all the elements of the management process are practiced.

Figure no. 2. Efficiency and effectiveness of the manager's activity
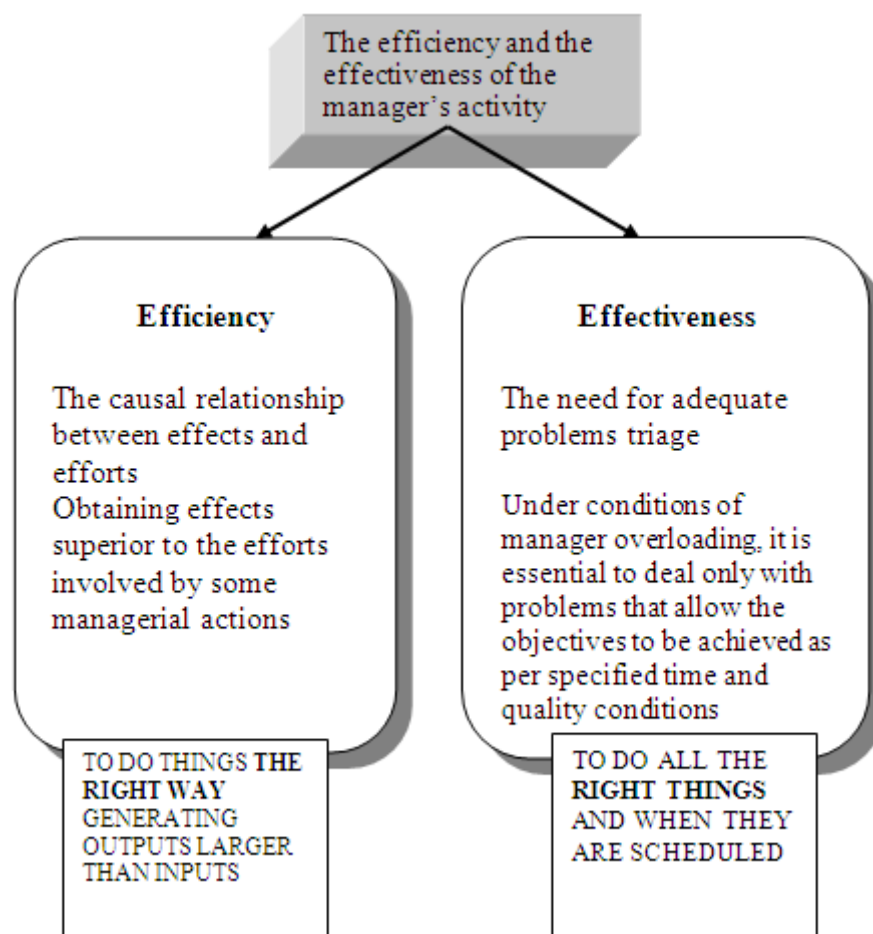
Source: Adaptation after Nicolescu and Verboncu (2018, p. 392)

The comparison between the results obtained and the effort made, in order to analyze the efficiency of an action is valid also in the case of human resources, all the more since this essential element in obtaining the results represents an important source of costs. Improvement of individual human performance, but especially of social performance, represents methods to increase productivity that are little exploited in managerial practice. Social performance refers to the impact of managerial activity on employees, being defined by the intensity with which an individual contributes to the development of the organization, by reference to the set objectives and standards (Nica, 2010, p.138). In human resources management, the execution manager is an implementer, who together with his management team knows how to achieve results, that is to achieve the goals proposed in high efficiency conditions.

5. Conclusions

Organizational culture is an intrinsic part of modern approaches concerning human resources management. In fact, the ascendancy of theoretical concerns and pragmatic approaches with regard to organizational culture reflects the new vision of human resources in the modern firm and the new type of management involved.

Especially for a manager or leader it is important to know the reasons why the employees comply with the rules of the organization, because their interventions, which often have effects at all levels of the organization, can unexpectedly reduce efficiency, effectiveness or productivity.

Within the international companies, the national culture through its dimensions strongly influences the success of the various managerial models used. In one country, employees are motivated by teamwork, and in another, by self-employment; in this case culture acts on the motivation system. In Romania, the study of the culture within an organization is at the beginning. The results of research at the companies' level in our country are characteristic of the transition state, which has its mark on mindsets, values, attitudes, but they are important in terms of their alignment with the theories of international specialty literature, by drawing cultural profiles, based on real, concrete situation within the Romanian organizations, profiles to which the corresponding types of management are associated.

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