LEADERSHIP – A KEY FACTOR TO A SUCCESFUL ORGANIZATION – part I

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Abstract:

Leadership is the well-known and often discussed process nowadays of influence exerted by one person, accepted and followed by all, over the other factors (human resource) that he works with, in order to reach the organizational goals. This research is part of a long cycle aimed to determine the knowledge and application of the leadership concept in the Romanian organizations under conditions imposed by the external environment which is characterized by frequent changes and variations with both positive and negative effects on organizations, and also to determine the response of the organizations to these changes. We consider important for this research to determine the level of knowledge of concepts specific to it, namely the leadership among managers from Romanian organizations.

Key words: leadership, leader, influence

1. Introduction

In Capital magazine on the article dated from 8th of October 2008, Deborah Britt Roebuck, director of the Institute for Leadership, president of Leadership and Professional Development, Kennesaw State University, Georgia was saying: "Before taking any decisions in life you must be aware of your own person. You have to know and understand yourself and you have to focus on your own strengths. Only then you can relate to others in an efficient manner. If a person does not understand himself then he may not know his impact on others. A good manager, especially a good leader, must learn to live and deal with diversity. In order to succeed, he needs to allocate time to look carefully to his people, to understand and develop them. Most managers focus on achieving goals and do not have time to understand and communicate with team members. In short terms, they succeed in obtaining huge profit, but in long term they lose talents, and the effects will be seen in business

profitability. Someone was saying this: We cannot change people's innate character but we can change their development".

Most definitions of leadership reflect the assumption that it involves a process whereby intentional influence is exerted by one person over the others to guide, structure and facilitate activities and relationships in a group or organization (Yukl, G., 2002)

According to Ioan Ursachi, leadership is the process of influencing the activities of a person towards achieving the objectives of the organization. Leadership is something more than authority or power. It requires a certain level of voluntary support from the members of the group. Leaders do not simply lead by directions, but by persuasion, motivation and empowerment. They identify and gain the team involvement for a stimulating or challenging vision. Leaders do not manage individual performance, but the group's performance (Ursachi, I., 2007).

Another definition given by Garry Johns for leadership is the influence that particular individuals exercise on the other persons' objectives, in an organizational context. Efficient leadership exercises influence so that it achieves the organizational goals by increasing productivity, innovation, satisfaction and moral commitment of the workers (Johns, G., 1998).

By analyzing all these definitions, we can emphasize the importance of the leader or the person who sets goals and ultimately is leading the results by involving other persons, like employees or supporters. This determination in a leader's case is different from the one of the manager. The leader is the one who sets the strategic direction of the organization by the vision he has regarding it and then develops and implement the strategy. Then the team leader communicates this direction, by calling to the emotions, needs and values of the team members. In order for the delivered message to be understood and believed by team, the leader must be a person of integrity and a good reputation in front of his members.

The research's objectives

This research is part of a long cycle aimed to determine the knowledge and application of the leadership concept in the Romanian organizations under conditions imposed by the external environment which is characterized by frequent changes and variations with both positive and negative effects on organizations, and also to determine the response of the organizations to these changes. We consider important for this research to determine the level of knowledge of concepts specific to it, namely the leadership among managers from Romanian organizations. This requires setting specific objectives to this research, just as follows:

- *the acknowledgement of the leadership concept used in general management;*
- *identifying and observing the positive effects of practicing leadership;*
- *identifying the practices used to develop the qualities and skills of a leader.*

The research methodology

After having established the research's objectives, the research team has analyzed the ways to obtain information. The research was conducted at national level through a market research company, Mercury Research Ltd, with national coverage through a number of 32,000 active panels. The Internet was used as data collection tool as the company managed web interviews assisted by computer (CAWI) within Mercury Research's online panel. Due to national coverage of the Mercury`s panel, the results are to be extrapolated to the entire population of Romania, namely to organizations that are operating in this country.

There have been collected and validated a total number of 102 questionnaires. The identification data of the subjects, namely the independent variables of the research are: *the position of the subject within the company, the professional training of the subject, the subject's age and sex, the work field of the organization and its turnover*, all of these are necessary in the observation of the knowledge mode and implementation of the concepts under analysis. Regarding the position in a particular company, there were raised questions about the field in which the business activity fits and information about the turnover of the company in order to see if there is any connection between them and the research objectives. These questions were closed questions; the possible answers are predetermined and displayed. Age-related question was an open one, which determined the continuation or interruption of the interview.

2. Demographic data information

For the research there were interviewed a number of 102 managers who occupied management positions in companies, as follows: top management, those from the head of company (11%), mid-level managers, those who coordinates several teams or a department (23%) and lower-level managers, those who coordinate several people (66%) (fig. 1). We consider important each of these three levels of management because in all of them we can notice the influence exercised by the group leader.
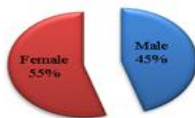

Figure 1. Distribution of subjects according to their management position within the company

In terms of training, most of the 102 analyzed managers are university graduates at a rate of 65%, followed by graduates with Masters Degrees (17%), college graduates (12%), graduates of secondary education (post-secondary and vocational school, 4%) and doctoral graduates (2%) (fig. 2).
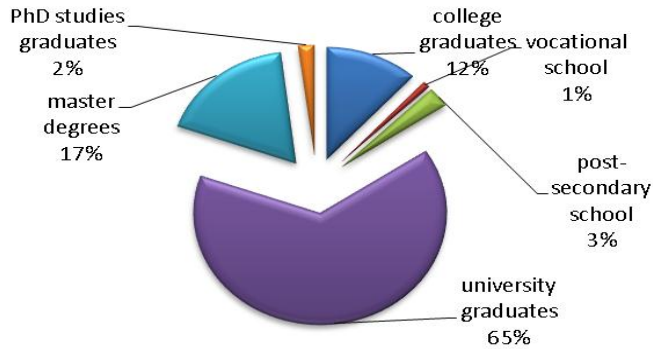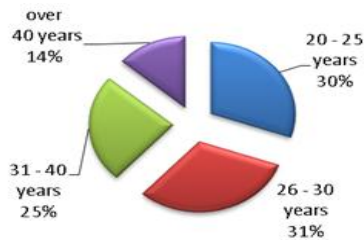
Figure 2. Distribution of subjects according to their professional training

Given the data collection method, namely calling a market research firm that administered online questionnaire, the subjects were analyzed and differentiated by age and sex. Thus, it was identified a higher share of females (55%) (Fig. 3), and in terms of age, a significant percentage was represented by the persons with age between 26 and 30 years (31%), followed closely by those aged between 20 and 25 years (30%) (Fig. 4).

Figure 3. Distribution of subjects according to gender

Figure 4. Distribution of subjects according to age

Given the division of Romania in 8 development regions, named after the geographical location in the country: Northwest, Northeast, Southwest, Southeast, South, West, Central, Bucharest and Ilfov, with an average of 2.8 million inhabitants, the questionnaire was administered at the national level, according to the Mercury panel, stratified by geographic region and size of the city, within it the sampling was simple random.

The 8 Romanian regions include the following counties:

I Northeast	Bacău, Botoșani, Iași, Neamț, Suceava, Vaslui.
II Southeast	Brăila, Buzău, Constanța, Galați, Vrancea, Tulcea.
III South	Argeș, Călărași, Dâmbovița, Giurgiu, Ialomița, Prahova, Teleorman.
IV Southwest	Dolj, Gorj, Mehedinți, Olt, Vâlcea.
V West	Arad, Caraș-Severin, Hunedoara and Timiș.
VI Northwest	Bihor, Bistrița-Năsăud, Cluj, Maramureș, Satu-Mare and Sălaj.
VII Central	Alba, Brașov, Covasna, Harghita, Mureș, Sibiu.
VIII Bucharest-Ilfov	București and Județul Ilfov.

The distribution of interviewees according to the 8 regions is the following: 19% in Bucharest and Ilfov, then in equal proportions are North-East, South-East, Central and Northwest with a share of 14%, followed by South-Muntenia 11%, Western region 8% and the South-West Oltenia 6% (fig. 5).
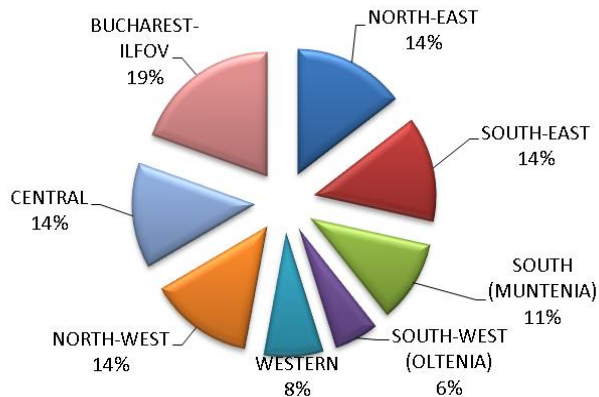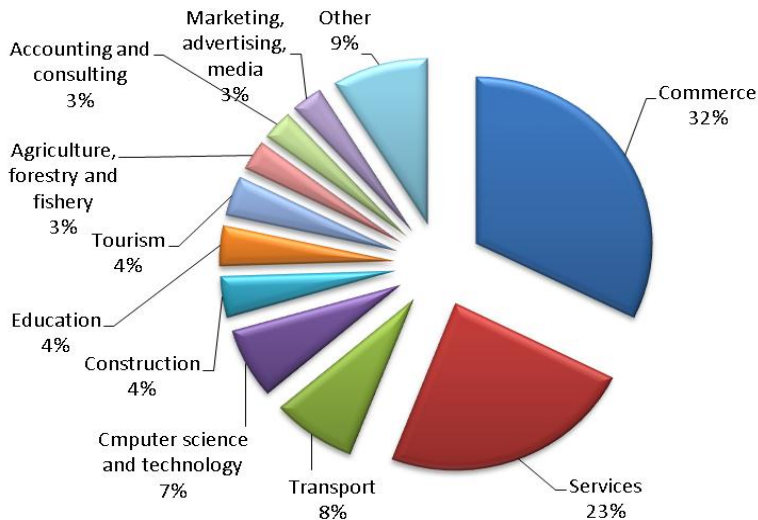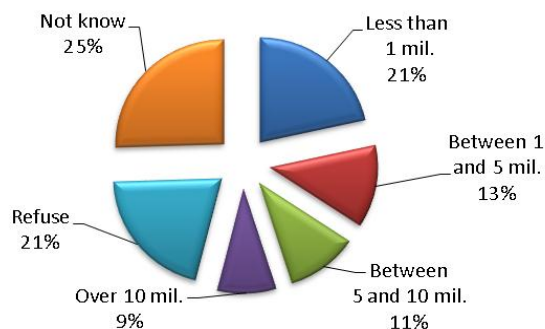

Figure 5. Distribution of subjects according to geographical region

Depending on the area in which the organizations fits (where the interviewees are working), the diversity is obvious and proportions are as follows: 32% commerce, 24% services, 8% transport, 7% computer science and technology, 4% construction, 4% education, 4% tourism, 3% agriculture, forestry and fishery, 3% accounting and consulting, 3% marketing, advertising, media and 9% other (individual areas that do not exceed 2%, such as mining and manufacturing, banking, medicine, communications, manufacturing and other) (fig. 6).

Figure 6. Work fields of companies to which subjects belong

Observing the distribution of subjects according to their management position within the company that was shown in Figure 1, namely 66% are occupying a lower-level leading position, subordinating only a few members, it was found that the majority of subjects (25%) do not know accurate data regarding the turnover of the company for 2011 and 21% do not want to provide information regarding the turnover. From the data collected, 21% of companies have achieved in 2011 a turnover of less than 1 million RON, 13% of companies achieved a turnover of between 1 and 5 million RON, 11% of companies achieved a turnover of between 5 and 10 million RON and 9% of companies have achieved a turnover of over 10 million RON (fig.7).

Figure 7. Distribution of firms, where the subjects are belonging, according to turnover

Demographic data conclusions: The research shows that out of 102 managers who were analyzed, more than a half are women, and in terms of the age, the most of them are between 26 and 30 years old. The majority of the interviewed managers hold an inferior leading position, meaning that they run and coordinate few people. This can help us notice the influence of leadership in generating the change through projects. Most of the subjects who hold leading positions in companies are University graduates. Most of the companies they represent activate in trade domains, followed by those in services area. The majority of them had in 2011 a turnover of less than 1 million RON.

3. The results of the research

We consider very important for our research to determine the acknowledgement level of the specific concepts, namely leadership, within the managers of Romanian organizations. Therefor is necessary to establish some specific objectives for the research, and these are:

- *the acknowledgement of the leadership concept used in general management;*
- *identifying and observing the positive effects of practicing leadership;*
- *identifying the practices used to develop the qualities and skills of a leader.*

For a better understanding and a uniform interpretation of the analyzed topics, an informative text was displayed: ***"Leadership is the process of influencing within an organization between a leader and the other factors (human resource) that he works with, in order to reach the organizational goals."***

Having as a reference element this informative note about the leadership concept, for the question given *"Considering the known characteristics of leadership, would you use it / have you find it used in your organization?"* the subjects, namely the persons who hold leading positions in their companies, in their great majority **(89,22%) confirm the presence of the leadership in the organizations they activate in.** In a small percentage (6,86%), they infirm the presence of the leadership in their organization and an even smaller percentage of 3,92% didn't know or couldn't identify the influencing phenomenon between the leader and the other people in the organization.

Considering the known characteristics of leadership, would you use it / have you find it used in your organization?

Fig. 8. The observation of leadership within organizations

Given the question "How important the leadership attributes are?", the subjects were invited to evaluate the following attributes of leadership through their own opinion and experience. The majority of them place all the eight attributes in the "very important" category, but I want to mention those which gained the greatest percentages as follows: the **"responsibility assumption for decisions and actions"** attribute is considered the most important, with a percentage of **66,67%**, followed by the **"competence and integrity"** attribute, with **63,73%** of the answers. On the third place, if we are to make a classification, with a percentage of **62,75%** are the **"ability to encourage and challenge the ideas, energy and abilities of others" and "ability of interhuman relations, sociability"** attributes**.**

Based on your previous experience, how important are for you the following leadership's attributes:
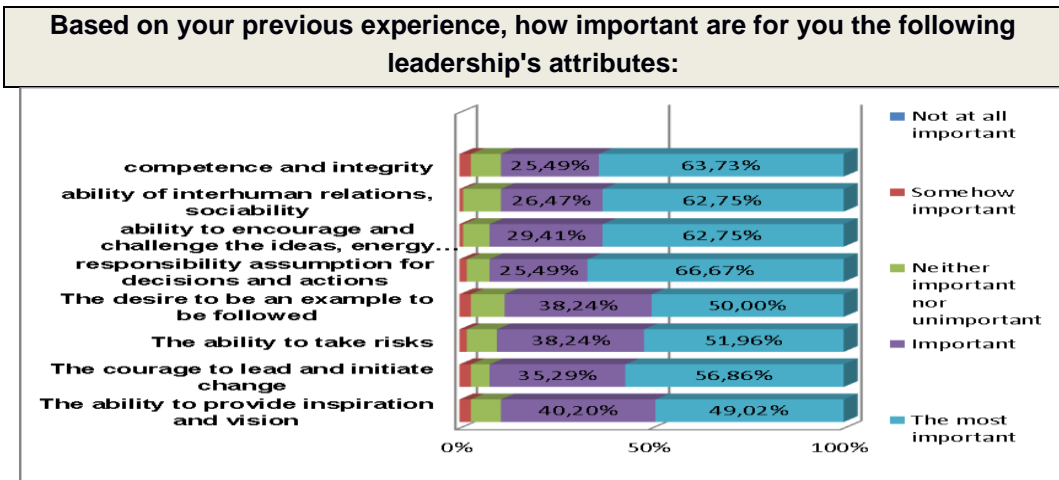

Fig. 9. The evaluation of leadership's attributes

In order to determine the factors which determine the style of leadership used and applied by the leader, five possible situations were pointed. The answers varied in some way, according to the acknowledgement of the concepts and the particular situations that the subjects had met. Thus, equally **(29,41%)**, the subjects identified two principal factors which determine the leadership style used by the leader, and these are: **"the leader's personality"**, namely his native features, qualities, his skills and abilities in influencing other people; and the **"situation"**, the subjects considering the fact that the leader is at his turn influenced by various external factors which determine him to act in a manner or other. The next factor identified by the subjects as being determinant in the leadership style is **"the team" (22,55%)**. This means the people ran by the leader. The fourth factor with a significant percentage is **"organization"**, with 17,65%, namely the sum of the organizing factors which hold pressure on the leader in the influencing process.

Please choose one of the answers below, which, according to you, completes the following statement: "Generally, the leadership style used and applied by the leader varies based on:"
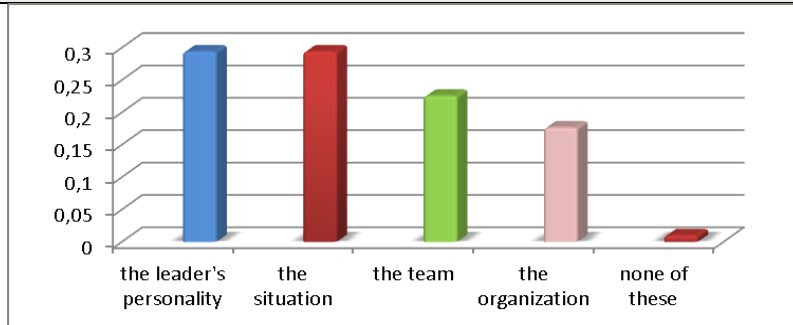

Fig. 10. The factors which determine the leadership style

In order to observe the way interviewed people, the managers precisely, acknowledge and understand the specific terms in management field, namely the term of leadership, we consider necessary to evaluate the specific techniques used for developing the leaders' abilities within organizations. From those mentioned yet, the most important technique, according to the subjects' opinion, is **"the training as a honest and loyal team member, through an ethical behavior" (62,75%** receiving the "very important" rating), followed by **"the development of a good relationship system at workplace" (54,90%** with the same rating), then "gaining the appreciation and esteem of the others" (50,98%, the same rating). The "Organizational culture study and power-holders identifying" technique is appreciated as being just "important" (46,08%) on a scale from 1 to 5, 1 being "nor important at all" and 5 "very important", this technique gaining a 4 evaluation grade.

How important the techniques used for developing a leader's abilities within an organization are for you?
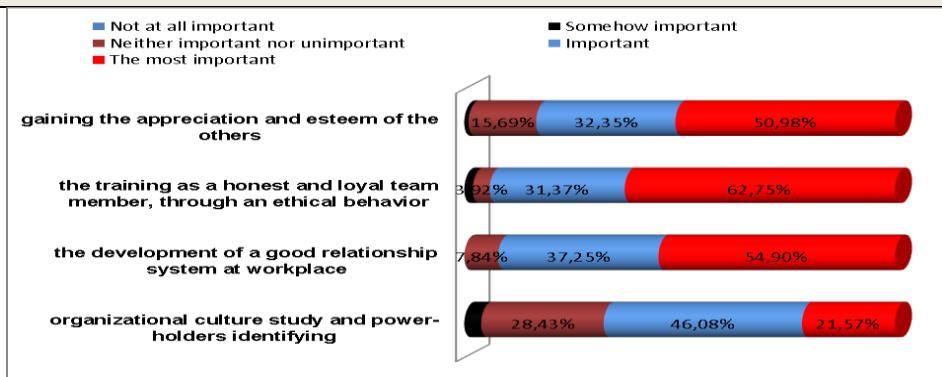

Fig. 11. The evaluation of the techniques used for developing a leader's abilities

Because the way leadership is applied within an organization depends on the way meetings between staff and employees occur, it's important to know the realities within the organizations. Thus, the answers to the question *"How pleased or unpleased are you about the meetings between staff and employees are organized in your organization?"* were various. To a scale from 1 to 10, where 1 means "extremely unpleased" and 10 "extremely pleased", the majority of the managers pronounce themselves generally pleased about the way meetings between staff and employees occur, the greatest percentage being situated above the 5 grade, as in fig. 12. **The majority of managers (20,59%)** evaluate the satisfaction they felt to an **8** grade, followed by those **(17,65%)** who evaluate the meetings to a **7** grade, and those **(15,69%)** who evaluate the meetings to a **9** grade. A very low percentage of subjects, 3,92%, consider that improvements on how the meetings between staff and employees are organized and occur, are not needed.

How pleased or unpleased are you about the meetings between staff and employees are organized in your organization?
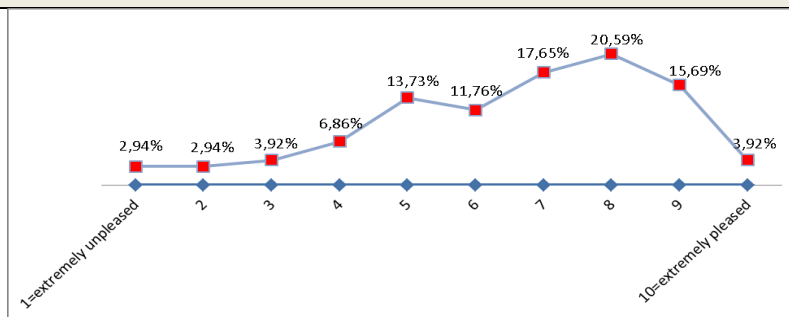
Fig. 12 Meetings between staff and employees evaluation

4. Conclusions

As a result of the research conducted several conclusions and suggestions will be developed, which are extremely important. In conclusion, we can state that:

- Starting with the informative note that defined the concept of "leadership", and continuing with the questions about the organizations influence process identification, we can state that the great majority of subjects confirm the presence of the leadership in the organization they work in, this fact leading us to the achievement of the specific goal of our research: *the knowledge of the leadership concept used in general management* through the managers interviewed.
- The most important attributes of leadership, according to the interviewees are: "the responsibility assumption for decisions and actions", "competence and integrity", "the ability to encourage and challenge the ideas, energy and abilities of the others", "the ability of interpersonal relations, sociability".
- While evaluating the factors that determine the leadership style used by leaders to

influence the human resources, the interviewees have identified two main factors with equal influence: "the leader`s personality" and "the situation", with an equal percentage, followed by "the team" and "organization".

- Among the techniques leaders use to develop themselves, the most appreciated by managers involved in the research were: "training as an honest and loyal team member, through an ethical behavior", followed by "the development of a good relationship system at workplace", then "gaining the appreciation and esteem of the others". Thus, we can state that we highlighted *practices used in organizations for development of the qualities and abilities of a leader.*

- Usually, the managers are pleased with the way the meetings between staff and employees are organized and occur, the majority of the managers evaluating the satisfaction they felt to an 8 grade, followed by those who evaluate the meetings to a 7 grade, and those who evaluate the meetings to a 9 grade.

- Thus, we can state that, following the identification of the presence of leadership among the organizations, and also following the knowledge of the satisfaction of the answerers about the way that organization meetings occurs, it emerged the specific goal of the research, which is *the identification and observation of the positive effect of leadership practice.*

According to these research conclusions the managers of organizations should allocate more time and money to develop good leaders at every level of the organization, because of the good effects leaders can get through their informal position in the company. So the next successful organizations will be those who understand, and not just this, but act to develop their human resources, especially the leaders which can influence, maybe more than a manager through financial motivation, but by their qualities and skills used to determine others to achieve certain goals.

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