

REVIEW ARTICLE

Benefits of Leadership and Motivational Management

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Abstract

The main issue of the management vs. leadership discussion refers to obtaining and practising power. This refers to the use of power levers, efficiency of the capacity to influence decision implementing, actions and components of all the organizational components, according to the initial clearly defined conception and the will of fulfilling the desideratum imposed by this conception. The article refers to the sources of power, and focuses on this dimension of leadership intending to discuss the management-leadership relation. As the organizations have become centres of initiative of modern economy, each high qualification employee has to act as an entrepreneur – in modern organizations, where specialized knowledge is the main resource success can not be achieved only by the effort of few executives. Any highly-specialized professional must undertake commitments and develop own professional potential and the management of the modern organization has to be permanently aware of the professional development needs and achievements of the specialized human resource-the bearer of the knowledge. Top management has not become less important but developed new valences-managing, developing and motivating human resource of higher professional competence.

Keywords: *Commitment, Creative potential, Exercising power, Human resource, Leadership, Sources of power management.*

Introduction

The relationship between leadership and management requires a delicate approach, despite the strong interest generated by such an approach, either theoretical or practical. George McGregor Burns, expert in political science, has developed the reflections of Max Weber on the sources of authority and charisma, thus drawing the distinction between transactional and transformational leadership. Thus, transactional leadership should be interpreted as a common, usual exchange act, based on a contractual relation as well as own interest satisfying-which the specialized literature describes as the managerial role-while the transformational leadership aims to satisfy the superior needs of those to be led - by means of engaging in the process of mutual stimulation and elevation by which the common success becomes more valuable than the own interest of individuals [1].

Managers are mainly driven by the idea of consenting, being motivated by procedural aspects rather than content aspects, while leaders follow own visions, instead of being tempted to compromise within the group.

Leaders have the courage to follow their own beliefs, they inspire people the intense wish to dedicate to a purpose and they are capable to make things happen – they have a real contribution to the advance of the organisation, while managers usually only apply the vision of a leader which is, of course, of great importance, without actually being leadership.

The aetiology of the two notions shows fundamental differences of their contents: *management* roots from the Latin *manus* involving doing, instructing, learning (as the Italian *maneggiare*), while the term *leader* issued by the Saxon *laed* shows a way of doing, a route, a much wider and durable orientation than learning.

Apparently, leaders are perceived as being superior to managers, which is not completely accurate. The maximum efficiency is provided by compromising the capacity to mould leadership into good management qualifications, thus generating meaningful contribution to the advance of the organization.

Management vs. Leadership

Defining Terms

The most usual distinctions drawn in defining leaders and managers consider the aspects as follows:

- Leaders are interested in future, while managers are interested in present.
- Leaders are interested in change, while managers prefer stability.
- Leaders show the tendency to focus on long-term perspective, while managers usually focus on short term perspective.
- Leaders are dominated by vision, while managers, focusing on regulation, tend to concentrate on instructions.
- Leaders ask "why?", while managers ask "how?"
- Leaders know how to let free their subordinates, while managers show the tendency to control them.
- Leaders know how things can be simplified, while managers prefer complexity.
- Leaders use their intuition, while managers rely on logics.
- Leaders adopt wider visions, including social issues, while managers seem to be mainly concerned with the problems of the organization.
- Leadership was studied thoroughly; in order to completely understand the concept two general approaches are used as an attribute, leadership is a sum of characteristics such as personality and comportment patterns that allow certain individuals a better efficiency in achieving objectives. As a process, leadership refers to the leaders' action, founded on different sources of power as well as a specific set of aptitudes, action intending influencing members of a group, in order to direct their activity towards achievement of common objectives. On the other hand, the situation-based theories ignore the influence of individual differences and consider the efficiency of the leader as being totally dependent of the environmental constraints – the leader being placed under the influence of complex forces acting in the environment where the organization has to activate, the social forces being, according to these theories, the determinant forces in accomplishing actions [1].
- The most important and valid truth in any of the theories referring to leadership is the fact that there will never be a leader without the people to follow him: leadership will never exist in solitude – every leadership action is developed in a certain social context. Thus, not only personal characteristics of the leader are to be considered, but also the specific, defining characteristics of the context will matter – certain leadership styles prove not to be adequate to certain individuals or certain situations.
- Defining the concept of leadership will thus require consideration of an interaction's model which refers not only to personality, position and experience of the leader, but also to the personalities of individuals within the organization – their values, their attitudes and principles as well as the group cohesion – combined with the particular context defined by

nature of activity, type of the organization, organizational culture, specificity of the industry, socio-economical and political situation.

Leadership and Power

- It is impossible to discuss management without including the notion of power – posesion and exercising of power, use of levers that power more or less visible activates, efficiency of this capacity to influence decisional process, actions and compartments of practically all organizational components, according to a previously defined conception and to the will of accomplishing the demands of such a conception.
- Dimensions of power are defined by the influence on imposing, at upper levels, of the own vision and will of the individual that exercises power upon the will of other individuals involved in the process.

Sources of Power

- Individual sources of power are derived of the character, aptitudes and individual characteristics of each person, these generating sources of a more or less formal but real authority:
- The power to reward – founded on the right of a person (usually the manager or owner) to control offering reward within the organization.
- The power to punish – based on the competence of the manager to initiate or enforce corrective measures towards employees if/when these divert from established rules or when they fail in accomplishing their work obligations.
- The formal position of the individual within the organization - generated by the perception the components of the organization reveal on the situation that certain individuals (usually managers) are invested to exercise influence upon others.
- Personal charisma – generated by qualities a certain employee has, the leadership he might be able to exercise, no matter the hierarchic position in the company.
- Authority of knowledge – reflected by the audience and influence of a certain employee upon others, as a consequence of competence and know-how in important interest area for the organization and its members.
- The personal need for power – leads to a strong concern for obtaining decisional power, which involves intense effort and energy, even if these efforts are not always obvious.
- Capacity to harmonize others' decisions and actions – is founded on the power to motivate standpoints and to convince others of the rightfulness of proposed solutions.
- Trust in oneself and own beliefs – is a precondition of the influence one might have on others. Practice proves that trust in standpoints promoted is perceived by others as being of major importance in determining them to involve in action and comply with the request.
- Organizational sources of power include elements of the organizational system and major management situations that charge persons or groups involved with an important capacity of influencing other components of the organizational ensemble. Such sources of power might be:

- Managed resources – represent the most important power source; the most important direct control someone has on such resources as money, equipments, energy, information, human resource – deciding on allocation of these resources, the most important influence that individual exercises within the organization. (The situation of owners and upper level managers becomes relevant in this context).
- Authority or formal competence – is measured in the amplitude of decisional and actionable rights as well as the means one can use within the organization, while exercising his current work activities.
- Capacity of solving tasks involving risk and incertitude – individuals and groups able to undertake and efficiently solve decisional risk and incertitude situations inherent to the activity of the organization, founding solutions that significantly affect the evolution and results of the organization will consequently obtain recognition and considerable influence.
- Position held in the work processes and the information flows – the most central position occupied in the information net, the most substantial will be the influence on others. The role of information as a determinant of authority and power increases dramatically as the valences of information as a resource of organization increase.

Power Consolidation

- The power of those invested to manage organizational evolution is not only the result of a simple responsibility and authority allocation. The process of consolidation of power and constructive manipulation is much more complex and subtler. Research on the dimensions of managerial power reveals four specific dimensions, as follows [2]:
- Structural dimension – as the result of the manager’s exercising of the authority associated to the job, involving certain individual objectives, tasks, competences, responsibilities.
- Operational dimension – determined by the fact that the manager acts as the owners’ representative; the closer is his relationship with the owners, the more powerful will be the operational dimension of power.
- Expertise – as the result of knowledge and know-how of the manager, as a specialist in a certain area (technical, economical, legal), which allows successful solutions identified for problems or important tasks for the organization.
- Informal power– determined by the prestige and the real status of the manager within the organization, by the information detained, the important relationship founded with the stakeholders, the native leadership that was successfully developed.
- The Personal Endowment of Leaders

Some of the most important competences for the leader’s efficiency, determined and interdependent of the personality might be those mentioned below:

Impetuosity-present in the case of assertive people, who know what they wish as well as how to obtain what they wish. It is generally associated to the energetic and sometimes dominating personalities, different from others by their notable result orientation. The real leaders are the persons that can make things happen and do not hesitate to fight their rivals; they like to achieve and they are action-oriented. Even when they are not sure-footed, they are rather good in “impression management” that they can deliver the impression of being very confident. Assertiveness allows these individuals to convince others to accomplish tasks that otherwise they might not have accomplished.

Sociability- Is strongly associated to one of the five categories of personality traits – extroversion. The most successful leaders show considerable social aptitudes, very important and absolutely necessary, as they are involved in human resources management – the most important share of their time being used in inter-relating, this proves to be a compulsory competence.

Receptivity- Successful leaders are usually open to new ideas and new experiences – this quality becomes as important as globalization of business expands.

Agreeability- A good human resources management is frequently associated to agreeable people; good leaders usually prove to be co-operative, flexible and pleasant. They usually have the capacity of reformulating a difficult situation in a positive approach, which generates the perception of good team-players.

Consciousness- A good leader, when invested with responsibilities, will be the one that all the others can rely on, serious, able to do any job to its expected finality.

Analytical Intelligence - Generally, most of the best leaders prove an analytical intelligence exceeding average values, which allows them to benefit of good strategic thinking. Although, a considerable higher IQ might turn to a disadvantage, bringing an excessive intellectualization of problems, thus generating excess in searching for reasons to justify opinions- both tendencies hinder prompt action.

Emotional Intelligence- Successful leaders are capable not only to manage their own emotions, but also to understand other individuals’ emotional language. What makes the difference is an important empathy – these people have a strong reality sense, they are fully aware of their own qualities and deficiencies, they know what they wish for and what they stand for and they are able to create and develop strong relationship, as a consequence of their affective stability.

Benefits of Leadership on Organizational Culture

A good leader will thus be able to shape or even fundamentally re-formulate the organizational culture – he will establish comportment rules having major impact on the long-term evolution of the organization. Organizational culture is of great importance not only by allowing individuals to be aware of what they are allowed and which the restrictions are during their work program, but mostly by the deep impact on the evolution and perception of the organization – it determines strategy, attitude towards external groups legitimately interested in its evolution, main methods for selection and socializing of the workforce, criteria for evaluating performance and promoting human resource, adequate styles in interpersonal relations established during work processes and even management style.

A strong and beneficent organizational culture, deeply rooting into the organizational identity, will gain a serious permanence in time, thus marking the organization evolution in a unique manner, difficult to alter. Inevitability of change and success of managing change within the organization imposes a correct identification of cultural values – leaders have to correctly identify values shared by people, in order to decide whether these values are worth being maintained. The impact upon organizational culture is very important: every organization has a distinctive profile that can define it as a successful company, middling or declining company, that is the way its human resources act, the set of own values that make it unique. Although it is usually known that successful companies are those that break the rules, there is a general set of values that any leader should aim to impose to the organization:

- Team-work orientation – people are willing to value team objectives more than personal objectives.
- Sincerity – communication is open, sincere, providing joint use of information and diminishing secret information to a minimum level.
- Responsibility delegation – authority and responsibility are widely spread over the team.
- Respect for each individual – tolerance for differences between individuals is currently practiced, whether this is about cultural and professional background or about sex, religion and political options.
- Client orientation-entire activity is considered to be determined by market conditions as well as the obligation of satisfying clients.

- Competitiveness and wish for success-all employees are mobilized by the wish for success and achievement.
- Intrepid attitude-there is a real positive attitude towards innovation and risk shouldering.
- Pleasant working environment - an optimistic, positive work environment will generate creativity.
- Personal responsibility shouldering - result-oriented activities of every individual are critical.
- Continuous learning – providing continuous renewal of aptitudes and attitudes.
- Availability to embrace change – allows permanent issuing of new ideas and use of suggestions.
- Trust-people are convinced that each of them fights for the achievement of the general interest of the company

The Human Resource of the Company

- Any person having elevated level of professional knowledge should seriously consider commitments as follows [2]:
- Commitment to provide that his knowledge or effort to effectively contribute to obtaining of economical results – his work must focus on contributing to total economical result of the company, instead of the success of any certain activity.
- Commitment to focus on really important tasks – in order to achieve personal development any employee should undertake the responsibility to direct towards opportunities and results the resource he can really control : himself .
- The systematic, conscious and organized commitment to fulfil the specific tasks of the job, without neglecting individual responsibility towards the company performances.
- Managers have lately opted for working in teams of management, as they have to provide planning, building and managing human organizations. As far as the high specialized employee is concerned, he has to show his commitment in contributing and initiative. He has to work in order to obtain satisfaction that will improve his own life and work. Modern organizations become to a greater extent an

important source of jobs where people can efficiently and creatively their knowledge, their capabilities, the education they have invested in, thus being in the situation of facing higher demands concerning not only efforts, but also performance. On the other hand, the legitimate request of these employees will be that satisfaction and benefits to be obtained to fully compensate their work and creative effort.

- Contribution of an employee to the growth of the company knowledge should thus be simultaneous to the contribution of the company to the employee's development. Benefice will be mutually – the employee will obtain value for his knowledge, aptitudes and education by material and motivational personal benefits while the company will obtain value of these capabilities, education and talents, if properly and entirely use them. The key is not only in identifying these capabilities and motivations, but in powering these to the benefit of both parties – the organization and the employee. Human nature, by its complex variety, provides enormous potential to be used in the benefit of the organization. Besides education, knowledge strengthened by different personal abilities within the human resource brings invaluable resource for the company.

Human Resource Assessment, Motivation and Creativity

One of the most important qualities of great managers is the ability to describe the unique talents of each of their people [3] – what motivates each of them, how they think, how they manage to build relationship –and the purpose of this knowledge is helping each person to fulfill his own mission at the highest performance levels that might be reached.

Assessment is important not only for the company -providing permanent feed-back of the human capital quality and the quality of the knowledge transferred within the organization – but also for the employees, the consequences of the assessment being of major importance for the professional satisfaction, the motivation, the stimulation and development of their capacity of self development, their professional projections and evolution. Assessment is a continuous process, its extension of use being noticeable due to the important role in diminishing risks during the transformation processes while the organization develops towards the knowledge organization. The main issue of the management tends to become assessment of human productive force of the companies, this being revealed by the

development of new disciplines: docimology, doxology, ergo logy, as well as by the permanent improvement of assessment methods and techniques.

Motivation is the key-element of the modern management, as the most of the company assets are in the minds of the employees – the success is provided by the science of increasing this value by means of motivational instruments.

Modalities of diminishing risks focus mainly on consolidation of the company, by means of competitive advantage. Competitive advantage has to be thus related to innovation (which is determinant) and creativity (which is the way towards innovation, its fundamental foundation). Innovation is not determined only by the creative skills of the staff, but also by numerous different elements greatly depending on the management of the company.

Increasing innovative spirit demands a sound foundation of the management principles according to a set of rules reflecting not only the need to achieve organizational goals but also the specific of the innovative process and the particularities frequently presented by the creative individuals. Such conditions should refer to:

- Maintaining a permanent contact of the managers and executives, especially when it comes to direct hierarchical subordination.
- Recognition and encouragement of individuals proving creative capacities.
- Providing a flexible work environment, which will encourage innovation?
- Protecting and encouraging self-confidence of creative individuals.
- Allowing creative people to work independently.
- Tolerance towards creative individuals' failure episodes.
- Retaining from pretending a total creative spirit to employees.
- Quick evaluation of new ideas by managers – ignoring the minor extravagances of the creative individuals.
- Moral and material motivation of creative individuals according to the performances

generated or facilitated by implementing their innovative ideas.

Motivational Management

- Motivation is a main component of modern management and an issue frequently considered by the specialized literature, thus revealing numerous approaches, some of them even contradictory.
- As the present paper refers to obtaining, protecting and developing organizational knowledge by means of human creativity, the first approach of the term will be considered; no matter what the content of motivation might be, the roles prove to be multiple and intense, a brief presentation showing the following:
 - The managerial role-the most direct role consists of determining the content and efficiency of the stimulating function that will determine the other managerial functions (foreseeing, organizing, co-ordination and controlling, assesment). Motivation will have an important impact on the characteristics and functions of the organizational management considered as a whole – the quality of decisions, methods, techniques and managerial procedures, general effects, accuracy and flexibility of informational systems, functionality of organizational procedures will considerably be determined by human resource motivation strategies.
 - The organizational role – refers to the major impact that motivation brings (directly as well as by means of other managerial elements) to the performances of the company. Given the fact that by motivational mechanisms skills, know-how and energies of the staff are working (which means the most important resource of the company) the effects in the organizational area are mostly important. Not only the content, but also the modalities involved by the motivational system of the organization significantly contribute to defining certain characteristics of the organizational culture, of major importance in every company evolution.
 - The individual role-affects the strong dependence of satisfactions and insatisfactions of each employee of the motivation – the stronger motivation generates a greater satisfaction of the staff, generating better use of personal potential, more intense and rapid development, which will bring mutual advantage.
 - The economical role-refers to indirectly but

substantially conditioning the economical performance of each country on the motivational instruments acting in every organization within the national economy as a whole. When motivation proves weak at the companies level, their economical results will not reach the required level thus showing inadequate economical performance within the national economy as a whole. The evolution of the former comunist countries economies and the final failure of an entire economical system had the main cause in the incapacity of intense and efficient motivation.

- The social role-actually represents the combined effect of the role presented above, to the psycho-sociological elements defining population of a country. Social climate and social relationship are important determinants by their multiple effects – most of these indirect effects – of the motivational environment in the companies where the population works.

Providing of a Safe Work Environment

- The main target of the motivational management (which is the human resource management) should thus become the concern to provide the stability of those employees that offer results of their work to the organization – wellbeing of the individual leads to a better functioning of the company. This does not require sophisticated management techniques but responsible management and responsibly creating safe work environment, providing better inclusion of the employees in the company and stimulating their creative abilities. Employees in the top companies trust the management, they have clear purposes for their work, they enjoy safe team-work relationship within the organization and they generally prove to be proud of their work and their affiliation to the organization. Top companies usually provide a positive climate for their staff, horizontal management structures, adequate informational systems, flexible working schedules, and society-inclusion politics – clearly defined efforts for creating of a creative organizational culture that will positively influence mental strength of the employees.
- A high performance company is that company that achieves to obtain value from the human potential it owns. A rather concerning majority of organizations shows excessive care for stockholders benefit leading to situations that employees have become independent agents - their belonging to the organization proves to be

less useful, thus under-rated, leading to organizational cynic attitude increasing while loyalty to the company dramatically decreases. Priorities of the motivational management should thus refer to:

- Selectivity in hiring strategies.
- Highest priority proving to be creating a strong feeling of participation, of active involvement within the human resource of the company.
- Directing of important resources towards training of the staff, continuously aiming towards revitalizing of the human resource, the bearer of knowledge.
- Avoiding the increase of the organizational dimension – thus providing either a structure than can be divided into smaller units as soon as these become too large, or generating of small companies under an umbrella-type structure focusing on project teams; the profit centers system is also an option.
- Minimizing the vertical hierarchies (although the human nature needs the hierarchy differences) in order to disseminate organizational authority and responsibility to all the organizational areas.
- Wide spreading of financial and operational responsibilities.
- Facilitating innovation, by providing considerable autonomy for the people, thus stimulating creativity.
- Encouraging and stimulating collaboration, team-work, mutual assistance by means of stimulating and rewarding fruitful interaction between people and/or departments which will lead to high levels of trust.
- Aiming to diversity – differences between people enrich creativity and quality of decisions.
- Encouraging of undertaking risks and experiments – this will lead to a climate of sincerity and open-minded attitude.

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Conclusions

- As previously stated, it is totally inadequate to postulate upon superiority of leader towards manager. Vision-led leaders will never succeed in leading their teams unless they are able to take the steps required to make their visions come true, as well as managers will never be able to do the steps unless they fully acknowledge the direction they have to follow. The solution lies in developing the managerial aptitudes of leaders, instead of blaming for the organized spirit of the manager.
- Managing style is a complex result of personality, life-cycle, national culture and organizational culture, being mainly determined by the context of evolution of the manager.
- Analysis is irrelevant without considering the managed group – in terms of mentalities and relative expectations - concerning not only the leader but also own work - power relations established between the individuals of the group and the leader, autonomy of the team. Thus, it becomes obvious that leaders can never lead in isolation – their actions are determined by the environment and subordinates, the most important element of the leadership being the leader's competence.

On the other hand, there is no economical entity to act in isolation. Evolution is inevitably determined by the economical context the company belongs to – exposure to risk is permanent and defined by the dynamic evolution of the macro economical environment. For the progressive organizations that have decided upon the need to shift towards motivational management the major advantage is the evolution of the world economy, to which these organizations are connected, reacting promptly and correctly to the changes in the macro economical environment?

The issue of human resource management in Romania gets complicated and much more complex due to the fact that the national economy dynamics is to be considered, too, as a major influence is brought by the lack of consideration of the knowledge revolution as a reality that requests major change in organizational attitude.

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