

The leadership's creativity or the management's innovation?

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Abstract: *Human resources management has been always a subject of debate when an organization started to analyze different approaches of reaching goals and fulfill objectives, especially when labour legislation come to discussions from the manager's point of view. By so, ignoring the fact that human resources management has been tackled down by the instruments that has to be offer using knowledge and the special literature in the matter, we should take the opportunity and take a short regard from the personal perspective of the worker, both executive and non-executive, and to see if personal approach of creation is more or less valuable than the innovation of the science. In doing so, we consider proper to use Peter Drucker and Warren Bennis theories, that bring a path to the management and leadership works.*

We have to take into consideration that management is a science in the very perspective of the knowledge and by the principles that has to be respected when applied to obtain performance, well – shortly speaking – something that is learned, when the leadership is becoming more and more a science, but with a fresh personal start, taken from the features of one's character that are given by birth or by a strong educa-

tion and model. So, we consider that management – developed as a science, has a more theoretical approach, when leadership has a more personal, abilities related approach.

Everything has to do with the fact that the society, in its continuous search for performance and economical gain, reached to a point where the management had no answers facing the capacity of one individual to be better by using his or hers ability to do things.

By noticing that limit of the science of management and the unlimited individual capacity to bring more and more solutions, we must see what is the very perspective of both human resources management and labour legislation when it comes to create organizational politics for its future progress and development, because we must decide what should we do: choose management's innovation or leadership creativity?

Key words: leadership, management, human resources, creativity, innovation

1. Some considerations regarding the two notions: management and leadership

To reach the goal of the proposed paradigm of the present work, we must firstly analyze the theoretical notions that are used to it. From the very beginning, we took the two words: management and leadership and we added for each of them a characteristic: we put the innovation to the management and the creativity to the leadership. Why have we done so?

The father of the theory of management is Peter Drucker, an Austrian-born who became an American and who is considered the father of present day management theories. "Whether it's recognized or not, the organization and practice of management today is derived largely from the thinking of Peter Drucker", was stated. "What John Maynard Keynes is to economics or W. Edwards Deming to quality, Drucker is

to management."¹ In his approach, Drucker acknowledged that management has to be related to objectives and has also to provide continuous feedback on results². The Peter Drucker theory of management is a series of founding principles that reflect the importance of modern management objectives in today's society. The Peter Drucker theory reflects the significance of organizational environments and the ability of managers to work collectively with their employees to initiate change and progress. Peter Drucker and management are essential to the evolution and growth of today's small and large businesses³. In other words, present management theory is based on Drucker work and the way we put this to practice depends on the way he consider to rule and direct his work.

¹ BusinessWeek reported as such shortly after Peter Drucker's death in 2005, also cited by <http://www.success.com/article/peter-drucker-the-father-of-management-theory>

²See <https://www.toolshero.com/management/management-by-objectives-drucker/>

³ See <https://www.business.com/articles/management-theory-of-peter-drucker/>

His theory begins with the fact that we must see the management from inside, not from outside, that means not from a formal perspective, but through an informal one, and the fact that he inspire such a perspective takes us to the more creative path. "Most books on management are books on the work of management", he stated. "They look at management from the inside. This book starts with the tasks. It looks at management first from the outside and studies the dimensions of the tasks and the requirements in respect to each of them (Part One). Only then (in Part Two) does it turn to the work of the organization and the skills of management, and (in Part Three) to top management, its tasks, its structures, and its strategies."⁴ He also stated that "from the beginning management was polycentric. Management as a discipline and management as a practice were tackled from the beginning by men of many nationalities and races. It was a temporary aberration in the years of the management boom to forget this and to believe instead—against all evidence—that management was an American specialty, if not an American invention. Today it is obvious again that management is polycentric. The management boom has not Americanized management. It has left untouched fundamental national characteristics throughout the world, such important areas, for instance, as the relationship between government and business management, the fundamentals of managing people, or the structure of top management. There surely is no "management gap" today between Western Europe or Japan, and the

⁴ <http://www.icmbpl.com/Management%20%20Tasks,%20Responsibilities,%20Practices%20by%20Peter%20Drucker%20e%20book.pdf>

United States (if there ever was one).⁵ So, the author considers the national and local pattern in constructing the management theory, as influential in the way the theory is put into practice.

As we can see, the first approach was supposed to tackle the management from a more creative perspective. It was till the management was regarded as professional, as Drucker assumes: "we further know that management is independent of ownership, rank, or power. It is objective function and ought to be grounded in the responsibility for performance. It is professional— management is a function, a discipline, a task to be done; and managers are the professionals who practice this discipline, carry out the functions, and discharge these tasks."⁶ From this point of view, management went to the path of innovation, reducing the creativity component to the limits of the quantity, as objectives are mostly based on that. Furthermore, when it comes to deep analysis, taking into consideration the main characteristic issues of the management, keeping in mind new researches that were made, we must notice that it has to do with the capacity of doing the things right, when leadership has to do with the capacity of doing the right things.⁷ Considering management practice from a professional point of view, we consider that Drucker put the things to the formal way, as national laws regarded occupational right strictly bounded by the formal training and schooling, where a formal professional right is obtained.

⁵ Idem.

⁶ Idem.

⁷ See <http://guides.wsj.com/management/developing-a-leadership-style/what-is-the-difference-between-management-and-leadership/>

But, regarding the way a formal professional status is acquired, we must take into consideration that national systems of schooling and training are based - mostly of them - on learning, in other words, learning the theoretical notions, the abilities are also learned and put into practice once the studies are graduated. The management - as a discipline - lacks in stimulating and creating the ability to inspire. As Mark Sanborn said, stating the 9th differences between management and leadership, managers have employees - leaders win followers, managers react to change - leaders create change, managers communicate - leaders persuade, managers direct groups - leaders create teams, managers exercise power over people - leaders develop power with people.⁸

In this respect, we must see that the difference between management and leadership comes from the personal pattern, as we consider that management - developed as a science, has a more theoretical approach, when leadership has a more personal, abilities related approach. Management as a theory is put into practice: leadership, as a personal mark trade is something that is hardly learned, than is more personal character related. That's why managers usually are formally nominated, but leaders are informally created, by their own powers and abilities. That's why, we consider in the present work that management is more innovative related and leadership has a more creative related.

As Warren Bennis said in his seminal 1989 work "On becoming a leader", "leadership is often confused with other things, specifically management. But management requires an entirely different set of skills. As

⁸ See also <https://www.marksanborn.com/9-differences-between-managers-and-leaders/>

I see it, leadership revolves around vision, ideas, direction, and has more to do with inspiring people as to direction and goals than with day-to-day implementation. One can't lead unless he can leverage more than his own capabilities. You have to be capable of inspiring other people to do things without actually sitting on top of them with a checklist-which is management, not leadership"⁹.

In "11 Ways to Define Leadership", Jennifer Post, a Business News Daily Contributor¹⁰ consider that basically the leader has the ability to establish a following among other individuals or teams. Although Mrs. Post's work begins with the pursuit of bettering your environment as a first tag to leadership, we do notice that a strong feature of this item is the open, authentic and positive influence that gives people the tools to succeed and helps them to achieve the impossible.

Of course, some authors consider that "leadership and management must go hand in hand" as Dr. Manoj Kumar Sharma and Shilpa Jain are stating in their work, Leadership Management: Principles, Models and Theories. Also, the authors consider that "they (and here means leadership and management) are not the same thing. But they are necessarily linked, and complementary. Any effort to separate the two is likely to cause more problems than it solves. Still, much ink has been spent delineating the differences. The manager's job is to plan, organize and coordinate. The leader's job is to inspire and motivate".¹¹

⁹ See http://cclp.mior.ca/Reference%20Shelf/PDF_OISE/Bennis.pdf

¹⁰ee <http://www.businessnewsdaily.com/3647-leadership-definition.html>

¹¹ https://www.ripublication.com/gjmbs_spl/gjmbsv3n3spl_14.pdf

2. Institutional and organizational approach from the labour point of view

Taking all those into consideration, must we choose a path (management innovation or leadership creativity)? Or are there other ways to combine multiple solutions in order to gain progress and productivity? That's because organizations could face the need to choose between management and leadership.

By applying management or/and leadership theories into practice, we must see that most organizations are activities based on human resources rules. Human resources rules are the ones to determine if one way or another is stimulated inside the organization, depending on the way the general management is overlooking the roles and contributions. Some of them will consider the role of management as more important, and some of them the role of leaders as more constructive. So, what should be done, stimulating management and its innovative part, or leadership along with its creativity?

Nevertheless, the human resources rules are based on labour legislation, which has a very national pattern.

Drucker stated that "the second task of management is to make work productive and the worker achieving. Business enterprise (or any other institution) has only one true resource: man. It performs by making human resources productive. It accomplishes its performance through work. To make work productive is, therefore, an essential function. But at the same time, these institutions in today's society are increasingly the means through which individual human beings find their livelihood, find their

access to social status, to community and to individual achievement and satisfaction. To make the worker achieving is, therefore, more and more important and is a measure of the performance of an institution. It is increasingly a task of management. Organizing work according to its own logic is only the first step. The second and far more difficult one is making work suitable for human beings—and their logic is radically different from the logic of work. Making the worker achieving implies consideration of the human being as an organism having peculiar physiological and psychological properties, abilities, and limitations, and a distinct mode of action. It implies consideration of the human resource as human beings and not as things, and as having—unlike any other resource— personality, citizenship, control over whether they work, how much and how well, and thus requiring responsibility, motivation, participation, satisfaction, incentives and rewards, leadership status, and function. Management, and management alone, can satisfy these requirements. For workers, whether machine tenders or executive vice-presidents, must be satisfied through their achievement in work and job—that is, within the enterprise; and management is the activating organ of the enterprise"¹².

Nevertheless, in his work *What is Leadership?* Dave Ulrich considers that "General Managers are the owners of their company's leadership, and HR professionals are the architects. When they work together, they can ensure that quality of leadership delivers sustainable value" and that "answering the question, "what is leadership," starts

¹² <http://www.icmbpl.com/Management%20%20Tasks,%20Responsibilities,%20Practices%20by%20Peter%20Drucker%20e%20book.pdf>

by understanding what leaders are trying to accomplish – their results. Results may be inside (e.g., employee productivity, organization agility) and outside (customer share, investor confidence, or community reputation). We often ask leaders to shift thinking from attributes to results by answering the “so that...” question. Leaders need a vision so that customers buy more products or investors increase their confidence. Leaders need to be authentic so that employees have increased trust in the leaders and are more productive or communities improve their image of the organization. Likewise, leadership development for its own sake might be an enjoyable diversion unless it builds leaders who get results consistent with the organization’s purpose. HR professionals who consistently ask, “so that,” ensure that what they do delivers value.”¹³

In Romanian legislation, the one who organizes the activity in the enterprise is the employer¹⁴. As a result of his right to organize the enterprise’s activity, the employer has the right to determine the attributions and the tasks of the employee in the job description and to decide the positions creation. By doing so, it is the right of the employer – see here the general manager – to limit or not the powers of an employee, who could have the abilities of a leader, by limiting the capacity of exercise creativity and the right to interfere and to inspire others, outside the managerial frame. “Creativity is a leadership quality that should be an essential part

of the job description”¹⁵ states Bill Klemm in his work *Leadership and creativity*, and he is not limiting that principle to the formal management. “When the organization establishes its strategy and work processes, the leaders direct the implementation that brings it to accomplishment” says Emanuel Agbor, in his work *Creativity and Innovation: The Leadership Dynamics*¹⁶. In the same work, the author states that “many companies who have undertaken reengineering initiatives have failed because of the lack of creative and effective leadership to manage the process. This shows that management tools alone cannot ensure organizational creativity that leads to innovation, effectiveness, and success. Organizations need creative and effective leadership to help the management tools work.” In this respect, the author considers that “organizations need creative and effective leadership to manage the implementation of the strategy and encourage innovation in the organization”.¹⁷

As a conclusion, we must state that between the innovation of management and the creativity of the leadership we must choose the latter one when developing policies are under discussions. Although the management and leadership should be strongly related, the informal part of the latter brings a sort of difference that makes possible the rise of the number of solutions. When informal leaders are coming into stage, the capacity of the organization to implement developing policies is strongly improved.

¹³ See https://michiganross.umich.edu/sites/default/files/uploads/RTIA/pdfs/dulrich_wp_what_is_leadership.pdf

¹⁴ See article 40 par. 1, let. A) in Romanian Labour Code – Law 53/2003.

¹⁵ See http://link.springer.com/chapter/10.1007/978-3-319-31036-7_15

¹⁶ Available on http://www.regent.edu/acad/global/publications/jsl/vol1iss1/JSL_Vol1iss1_Agbor.pdf

¹⁷Idem

“Organizational leadership is the most important aspect of the organizational creativity and innovation dynamics. No organization

can transform or renew itself unless the leaders put the process in motion and sustain it.”

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