

Management and leadership-features in the contemporary context

~ Ph. D. Assist.Lect. **Eleonora Gabriela Baban** (Faculty of Administration and Business, University of Bucharest, Romania)

E-mail: baban.eleonora@yahoo.com

Abstract: Currently, management and leadership are considered processes of influencing activities at a managerial and organizational level. Management implies the existence of individuals or groups of individuals who develop managerial activities. Leadership is a managerial process that aims to influence interpersonal relationships between team members due to the application of management functions. This paper aims to highlight some relevant features that define the concepts of management and leadership in a contemporary context. The main objectives of the study are: 1). presenting the main concepts of management and leadership; 2). analysing the role of leaders and managers in an organization; 3). highlighting main forms of manifestations of management performance; 4).presenting main influences of public management and leadership in the management of public organization. Leadership is not only a specific part of management, but also a state of mind, which creates an adequate framework for the manifestation of creativity and performance of a team led by a good leader in order for its members to succeed professionally and to achieve performance at an organizational level.

Key words: management, leadership, managerial performance, motivation, competitiveness

JEL Classification: M31

1. Introduction

This paper aims to highlight the main features of two complex processes, management and leadership. Contemporary management, conditioned by the development of technique and technology involves laying out decisions based on modern methods in order to make an optimal decision. Also, the process of leadership finds applicability at an organizational and managerial level. Leadership in a contemporary context aims leader's skills to emotionally involve a group of people in the joint achievement of tasks in order to reach a goal that can lead to the progress of the organization he represents. In this context, when talking about leadership one takes into account its informal side, and when talking about management one brings into question the manager's formal position in the organization.

In this paper I have:

- presented relevant aspects regarding the main concepts of management and leadership,
- analysed the role of leaders and managers in an organization,
- highlighted the main forms of manifestations of managerial performance and
- presented the main influences of public management and leadership in the management of public organization.

2. The importance of practising management and leadership at the level of an organization

Many specialists in the field believe that management is a creation of the twentieth century, words like "progress", "success", "prestige", "merit" or "power" being assigned to the word "management" (Constantin, D., Ionescu, S., 2003, p. 27).

Verboncu and Zalman (2005) believe

that "management, approached as both theory and practice, is, at this stage, one of the most important factors generating economic performance at the level of the company" (Verboncu, I., Zalman, M., 2005, p.8). Moreover, the same authors note that "functionality, efficiency and effectiveness depend appreciably on the quality, efficiency and effectiveness of management" (Verboncu, I., Zalman, M., 2005, p.8). In order to actually define the notion of "management" the following ideas emerge in literature review:

-management is the „instrument through which social, economic, technological, political and all human changes can be rationally organized and spread throughout the social body" (Zlate, M., 2004, p. 168);

-management is knowledge representing "a set of concepts, methods and means of solving management problems in all fields of activity in a society, including all its organizational levels" (Cornescu, V., Mihăilescu, I., Stanciu, S., 2003, p. 3);

-management as art is "linked to the manager's qualities because the results also depend on his experience, skills and abilities to attract people who will fulfil the objectives established", furthermore, art in management, means "knowing what to do" in order "to achieve a practical result (...)" (Neagu, C., 2004, p.14);

-management is practice "meaning that theoretical and methodological elements are operationalized at the level of the company and its structural or procedural components through specific decisions and actions" (Verboncu, I., Zalman, M., 2005, p.8).

Modern management is based on the synthesis of science, art and practice, so that the progress and success of an intelligent organization depend on the manager's ability

to lead and coordinate the activities undertaken. Applying skills acquired in time, managers need to combine knowledge with their talent to effectively lead an organization to meet its goals.

In a contemporary context, management is influenced by a series of factors such as (Cornescu, V., Mihăilescu, I., Stanciu, S., 2003, p. 12):

- innovation and technological progress;
- competitiveness on the internal and international market;
- use of new communication means in management activity.

In literature review a particular importance is given to the notion of "management process". Petrescu (1993, p.108) quoted by Cornescu, Mihăilescu and Stanciu (2003, p.17) notes that the management process represents "a set of interventions by means of which the manager plans, organizes, coordinates, makes decisions and controls the activity of his employees in order to achieve the goals of his economic unit in terms of high profitability and social utility". Therefore, the main functions of management are outlined, being presented for the first time in literature in 1916 by Henri Fayol. According to this author these are (Zlate, 2004, p.169): "planning (looking ahead and drawing up plans of actions); organizing (building organizational structures); commanding (maintaining at high level the activities and performance of employees); coordinating (correlating, balancing, unifying and matching all activities and efforts); controlling (supervising, guidance in order to comply with established rules and standards)". Subsequently, these functions were tackled and enlarged upon by different authors, but what is important to note is that they were a reference framework

in defining the main management functions. The concept of "management" is defined in literature review according to these functions. Thus, Daft (1994, p.8) quoted by Zlate (2004, p.170) presents a definition of management: "management is achieving organizational goals in an effective and efficient manner through planning, organizing, commanding and controlling resources".

Over time it is interesting how the concept of management has been defined in such a way that one can note a change of perspective regarding the pragmatic-processual view on management. Hence, Montana and Charnow (2000, p. 2) quoted by Zlate (2004, p. 171) outline a definition of management. According to these authors "management works with and through people in order to achieve both the objectives of the organization and its members". This definition brings forth an element of novelty in defining the concept of modern management as it relates to the fact that in a contemporary context, in an organization more importance is given to people and achieving personal objectives leads to achieving organizational objectives in the context in which the entire managerial activity focuses on results rather than on things and activities (Zlate, 2004, p.171).

In literature review great importance is given to management functions in managerial activity of the organization. Cornescu, Mihăilescu and Stanciu (2003, pp. 19-29) present these functions as follows: 1). The planning function - according to this function one sets goals and allocates resources and means to achieve them; 2). The organizing function - by organizing one "rationally and harmoniously combines all the elements of normal functioning of the organization: material resources, labour resources, financial resources

etc. (...); 3). The coordinating function – through the coordination action managers synchronize their actions with the actions of all staff in order to achieve the established objectives; 4). The commanding action – refers to actions that focus on the human factor, managers and subordinates being directly involved in setting the organization's goals through motivation and assimilation of one's own objectives; 5). The controlling function – through this function results are evaluated by measuring achievements; also these achievements are compared to the objectives set and positive elements are distinguished from negative ones.

The idea according to which dissociation occurs between management and leadership emerges in literature review, although first findings show that there are no differences between the two concepts and that they overlap. Thus, it can be mentioned that leadership "reflects the human dimension of management, that side of it which makes it possible for the manager to influence, to determine the group he leads to work together on setting objectives and in particular to

achieve them" this aiming "not only at the operational side, but also at the emotional one, which rests on the authority of the manager, his human qualities, his native or acquired talent to lead people, to instil optimism and to put their heart and soul into the organization"(Cornescu, V., Mihăilescu, I., Stanciu, S., 2003, pp.221-222). The same authors believe that leadership is a component of management because management as a whole comprises a wider range of issues than leadership, if we consider the functions of the management process to gain an overview and to enclose leadership in this complex process, namely management (Cornescu, V., Mihăilescu, I., Stanciu, S., 2003, p.222).

In order to highlight a specific distinction between leadership and management Zlate (2004, p.175) presents some idiomatic aphorisms of some authors in literature. It also presents an eloquent definition: "leadership would rather be the human dimension, the side of involving and engaging in the activity, and management, the effective exercise of functions" (Zlate, M., 2004, p. 175).

Table number 1 – Idiomatic aphorisms regarding the two concepts: management and leadership

P.F. Drucker (1954)	Leadership = is doing the right things, Management = is doing things right
W. Bennis (1985)	Leadership does what is right, management does the right things
S.R. Covey (1989)	Leadership determines whether the ladder is leaning against the right wall, is efficiency in climbing the ladder of success

Source: Zlate, M. (2004) *Leadership and management*, Polirom Publishing House, Iași, p.175.

Cornescu, Mihailescu and Stanciu (2003, pp.222-223) briefly present the main factors of influencing leadership both in terms of state of mind and as managerial process, as follows:

- "personal traits of leadership": charisma plays a special part in this context because successful leaders are charismatic leaders who inspire, through their charm and enthusiasm, the organization's members to act in order to achieve certain purposes;

- "leader's knowledge": the leader's ability to absorb information and to entwine them with general knowledge, but also with a solid training in management, computer science, economics, marketing issues, propels him to a strong position, turning him in an authentic leader;

- "the organization's state" – one can discuss leadership only if within the organization there is a group or groups of people with certain qualities and abilities, the manifestation of the leadership process being underlined in accordance with the organizational climate and the organization's culture;

- the "external environment": where the organization deploys its activity is an important factor and "the leader's ability to influence depends on it"; the external environment can be favourable to undertaking managerial activities, but it can also be turbulent, changing, and even hostile.

Literature presents a "formula" which highlights the most important skills of a leader, namely:

Figure number 1:

$$\text{Leadership} = \text{vision} \times \text{motivation} \times \text{impetus}$$

Source: Landsberg, M. (2005), *Leadership*, Curtea Veche Publishing House, p.7.

According to this "formula" a leader who has a well-defined vision, motivates the team he leads and acts with enthusiasm, he is a good leader who will lead the organization to progress and success.

Brătianu, Dima, Vasilache and Orzea (2011) consider that leadership is "a process based on the reasoning and emotional power to influence people to make a change, to achieve a particular purpose" (Brătianu, C., Dima, A.M., Vasilache, S., Orzea, I., 2011, p. 56). The same authors present the concept of management as it follows: "management is the process through which an organization achieves its objectives efficiently and effectively" (Brătianu, C., Dima, A.M., Vasilache, S., Orzea, I., 2011, p. 54).

Hence, it can be mentioned that the implementation of management and leadership processes is particularly important to achieve in an intelligent organization, which is run in a contemporary changing environment towards achieving the objectives set.

3. Roles of leaders and managers in the organization's managerial activity

Companies operate in a changing and unexpected business environment, facing various technical, technological and managerial obstacles which they must face in order to grow and survive. Therefore, in this context, the role of managers and leaders is vital because it is necessary for them to make the best decisions and initiate specific actions that allow taking advantage of favourable situations by creating an organizational climate adequate for the manifestation of business environment characteristics.

Table no. 2 shows the main differences between leaders and managers, as they appear in literature.

Table number 2: Differences between leaders and managers

Criteria	Leaders	Managers
Purpose	They show personal, active attitudes	They show impersonal, passive attitudes
Concept regarding work	They stimulate work, they offer and create possibilities for choosing it	They coordinate, balance work. They resort to value compromise
Relationship with others	They are empathetic, they pay attention to the significance of actions and events	They don't really get involved emotionally in the relationships with others
Self Perception	They have a weaker self-identity and they are change-oriented	They identify with the need to maintain present order, they are more conservative

Source: Zlate, M. (2004), *Leadership and management*, Polirom Publishing House, Iași, p.174.

Constantin and Ionescu (2003) believe that "in order to be an effective leader, managers need to take on the role of leaders" because "practice has shown that a manager's position a leader's skill and that the leader should be a representative of management" (Constantin, D., Ionescu, S., 2003, p. 42).

Cornescu, Mihăilescu and Stanciu (2003, p.220) show the position and the role of the manager in the organization and how he is perceived by subordinates:

- the manager is "a model to subordinates and employees in terms of professionalism, behaviour and attitude";

- the manager has the ability to develop a specific leadership style closely related to his personality and experience, to act in concrete situations in certain contexts;

- the manager must not forget that he is working with a team, and the results the manager represents his team being its image outside, enjoying the success obtained and

assuming a possible failure obtained are not only his, but also theirs;

- the manager represents his team being its image outside, enjoying the success obtained and assuming a possible failure;

- the manager, through his behaviour, must provide his team with a pleasant working atmosphere, adequate for the manifestation of creativity, he must promote novelty; he must also be creative, ambitious and tenacious;

- the manager must be himself and set aside that he is the one in charge because he cannot be a leader for life, therefore he must act fairly, effectively and competently in all situations;

- the manager must provide "a climate favourable to quality work" and he must be able to develop the team's members professional skills;

- the manager must continuously improve, to help the development of managerial culture in the organization and to ensure

exceptional training of the subordinates he leads.

The leader’s position in the organization is also presented in literature, his main features being distinguished as follows (Constantin, D., Ionescu, S., 2003, pp.57-58):

- an effective leader estimates time, considering it the most precious resource he has, being constantly concerned with its rational use;
- an effective leader sets an example for subordinates and collaborators working with passion, confidence and pleasure;
- an effective leader acts promptly in making decisions;
- a good leader is “prompt in using the opportunities that arise for affirming and empowering the organization’s position”;
- a good leader seeks to identify problems and solve them in an effective manner; he does not abandon solving problems that seem hard to solve, waiting for the right time to solve them;
- a good leader “practices systematic leadership” being primarily concerned with

making fair and honest decisions on issues related to the team.

Brătianu, Dima, Vasilache and Orzea (2011) consider that “leaders have the ability to resonate with emotional states of the people around them and with their requirements” (Brătianu, C., Dima, A.M., Vasilache, S., Orzea, I., 2011, 57).

4. Manifestation forms of managerial performance

Noyé (2002, p.6) quoted by Verboncu and Zalman (2005, p.63) believes that performance lies in “reaching goals that were assigned to you in convergence with the company’s orientation”. Therefore, “performance is not a mere finding of an outcome but rather it is the consequence of a comparison between outcome and goal” (Verboncu, I., Zalman, M., 2005, p.63). Also, Verboncu and Zalman (2005, p. 78) define managerial performance in four categories, namely: decision-making performance, informational performance, organizational performance and methodological performance.

Succinctly they can therefore be presented as follows:

Table number 3: General managerial performance

Categories	Performance criteria
1. General managerial methodological performance	- degree of scientizing of the company’s management - degree of “participation “, “involvement” of managerial tools in the exercise of management processes -managers’ competence
2.General decision-making performance	- degree of decision solving issues which the company faces -degree of implementing decisions
3.Overall managerial informational performance	- degree of meeting information needs of managers at a superior, middle and lower level - degree of meeting information needs of subordinates
4.General organizational performance	- degree of processual insurance of objectives - degree of structural-organizational coverage of work processes involved in achieving objectives

Source: Verboncu, I., Zalman, M. (2005) *Management and performances*, Universitară Publishing House, pp. 78-82.

Specific managerial performances are presented in literature as follows (Verboncu, I., Zalman, M., 2005, pp. 83-91):

I). Methodological-managerial performance - performance criteria:

-“quality of managerial tools”;

-“quality of methodologies for design, operation and maintenance of management operation and its components”.

II). Decision-making performance - performance criteria:

-“quality of managerial decisions: the scientific foundation, “empowerment” of decision, the appropriateness of the decision, integration in microeconomic decisions, adequate formulation of decision”;

-“adoption and enforcement opportunity of core decisions, competence of decision-makers, realistic goals etc.”

III). Informational performance - performance criteria:

- “quality of information: realism, dynamism, collection, recording, transmission and processing in due time”;

-“quality of information circuits and flows: length, content and costs of information transmission”;

-“quality of means of dealing with information: the degree of computerization of work processes”;

-“quality of informational documents: completion and transmission frequency, degree of computerization in dealing with information”.

IV). Organizational performance – performance criteria:

- processual organizing;

- structural organizing;

- “degree of human endowment of positions and departments”.

5. Influences of public management and leadership in the management of public organization

Băcanu (2008) believes that “public management transfers a series of features to public organization management by virtue of the relationship that exists between the public sector and the public organization, as well as through the dependence of the same powerhouse that is the state, customized by government” (Băcanu, B., 2008, p. 31). Public organization is run by specific rules and its management focuses on ensuring functioning according to these rules. Furthermore, it must oblige a set of rules, which are at the basis of the company’s vision. Currently, “managerial approach in public management is represented by a consistent amount of economic and managerial concepts”, among them one can highlight concepts closely related to “core values, efficiency and effectiveness” (Băcanu, B., 2008, p. 35). In the future, what is desired by specialists in the field is the transfer of rules and principles from a company to a public organization to significantly improve its progress and performance (Băcanu, B., 2008, p. 35).

A leader is expected to produce changes in public organizations that embrace change, being able to identify him only in high positions. Thus, one advocates change and sends signals to those who are entitled to decide.

Băcanu (2008) believes that “leaders are useful in key positions of major public companies” their role being “to achieve an adaptation to environmental signals and prepare sequential changes whose architects they are expected to be” (Băcanu, B., 2008, p. 123). Once accepted into the public organization, the role of the leader is to change mentalities and to provide a modern vision that will help

develop the organization through the polarization of all team efforts.

6. Conclusions

In our country, leadership development and modern management based on efficiency and effectiveness should be a priority based on efficient principles and a modern vision. A good leader and a good manager must practice a flexible management style that will inspire subordinates, who can therefore obtain performance that can lead to the achievement of objectives at the individual level, but also organizational one.

An organization's key to success is the ability of a leader, but also of a manager to

turn seemingly intractable tasks in achievable actions. A good leader and a good manager must convey enthusiasm and impetus to their subordinates for them to succeed in achieving everything they set forth to accomplish.

In a modern society in which there are frequent changes full of dynamism, it is important to find the best solutions to adapt. In this context, management functions reveal the connection between the two concepts, management and leadership. By effectively implementing management processes and principles of leadership one can achieve the desired performance and success at both the individual and organizational level.

REFERENCES:

1. Băcanu, B. (2008), *Organizația publică: teorie și management*, Editura Polirom, Iași.
2. Brătianu, C., Vasilache, S., Dima, A.M., Orzea, I. (2011), *Nonlinear integrators and intellectual capital dynamics*, Editura Curtea Veche, București.
3. Constantin, D., Ionescu, S. (2003), *Managementul organizației*, Editura Cartea Universitară, București.
4. Cornescu, V., Mihăilescu, I., Stanciu, S. (2003), *Managementul organizației*, Editura ALL BECK, București.
5. Goleman, D., Boyatzis, R., McKee, A. (2007), *Inteligență emoțională în leadership*, Editura Curtea Veche, București.
6. Lakshman, C. (2009), *Organizational knowledge leadership: An empirical examination of knowledge management by top executive leaders*, Leadership & Organization Development Journal, Vol. 30, Iss: 4.
7. Landsberg, M. (2005), *Leadership*, Editura Curtea Veche, București.
8. Neagu, C. (2004), *Managementul firmei*, Editura Tritonic, București.
9. Nica, P., Iftimescu, A. (2008), *Management. Concepte și aplicații*, Editura Sedcom Libris, Iași
10. Verboncu, I., Zalman, M. (2005), *Management și performanțe*, Editura Universitară, București.
11. Zhao, F. (2005), *Exploring the synergy between entrepreneurship and innovation*, International Journal of Entrepreneurial Behaviour & Research, Vol. 11 Iss: 1.
12. Zlate, M. (2004), *Leadership și management*, Editura Polirom, Iași.