

CURRENT ECO APPROACHES IN LEADING BEHAVIOUR

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Abstract. *The role of leadership has always been, metaphorically speaking to fight against evil and to win.*

The role of present leadership is to identify and fight against the present evil. In order to analyze the perspective of today's leadership we need to answer the following question: what is the evil in our society (how do you recognize it)? How does it appear and which are its economic, social and psychological consequences.

Recently, further diminishing resources and increasing pollution poses new and different problems which have to be solved quickly.

Managers have to respond to the new challenges for management activities under the constraint of scarce insufficient resources and information and knowledge explosion. Also, economic globalization processes, the explosion of information and development of new standards raise the awareness that the current leadership has to integrate management activities.

The study seeks to answer to the questions about what are the current trends in management, under these new restrictions by appealing the survey of employees' perceptions towards the characteristics of the role of leadership, manager and entrepreneur.

The survey results have confirmed our expectations regarding the eco trends of Romanian leading.

Keywords: *Sustainability, management, leader, entrepreneur.*

JEL Classification: Q56, M56; M54, L26

1. Introduction

We are living today in a changing world, a world in which democratic values as dialog, tolerance and commitment replace totalitarian ones. Also, the globalization phenomenon replaces national protectionism.

The social, economic, cultural and moral structures are being reorganized.

The classical paradigm of leading behaviour is focused on the role of management in dealing with insufficient resources. In this situation,

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management was responsible for maximizing the results, i.e. for increasing their quantities and, in the same time, respecting the same quality, but with lower costs (fewer resources, less effort and shorter time). This management paradigm is totally viable today.

The needs of maximum management have appeared from the huge today's consumption and from its exponential increase in the latest decades, having serious consequences on the balance of the eco-system and on the relation between human beings and the environment.

The role of leadership has always been, metaphorically speaking to fight against evil and to win.

The role of present leadership is to identify and fight against the present evil. In order to analyze the perspective of today's leadership we need to answer the following question: what is the evil in our society (how do you recognize it)? How does it appear and which are its economic, social and psychological consequences?

The paper has three parts: the first deals with the evolution of the management theories within the current need for ecology and ethics. The second part is focused on the perception of leadership in Romania in order to highlight, based on the survey, the eco-trends. We end our presentation with the conclusions of the present survey.

2. Evolution of management thinking: environmental and ethical tendencies

For most authors, management means getting results, it has a pragmatic content and refers to those processes, actions and functions through which we use in order to achieve maximum results.

In 1980, American Management Associations (AMA, Montana, Charnow, 2000, p. 2, *aped* Mielu Zlate, 2004, p. 171) stated that "management makes things works through people".

In 2000, the above mentioned association approached management as the activities "working with and through people to accomplish both objectives of the organization and its members" (Mielu Zlate, *cited work*, p. 171).

The management theory was greatly developed in the twentieth century. In 1916, Henri Fayol was the first to define the management functions: forecasting and planning, organizing, leading, coordinating and controlling. A significant change in "managerial thinking" was due to the division of labour and of roles for increasing productivity (efficiency). Another important change in managerial thinking is developing the performance management concept, which includes productivity, but is not

limited to it. An important role in this change played Peter Drucker with his difference between efficiency and effectiveness. The emergence in 1960 of Douglas McGregor's X and Y the theory and of the participative management, its wide used in the 1980s and the implementation of performance management (and management by objectives) represent another significant moment. A landmark of the managerial thinking in the 1980 is Andrew Grove's, Intel president, multiplicative management (1984), and, later, in 1992, Denis and Moulin's turbo management, forms which valorise organizing methods for getting maximum productivity.

At the end of the twentieth century, in 1994, Pierre Goguelin defines the new participative management, which turns the managerial roles – author (managers) and actors (executive) – in co-authors and co-actors. According to the new participative management personal objectives should be integrated in the organizational ones. This means the joint development of people and companies. This idea can be found in management by values (Blanchard and O'Connor, 1997), which deals with listing personal and organizational values.

In 1992, Meryem Le Saget proposes a new form of management, the intuitive management, which combines rational, scientific management with intuitive, emotional part.

The complexity of managerial act led to its approach not only from an economic perspective but also from a psycho-social one. This perspective has opened the door for theories regarding management, leadership and entrepreneurship highlighting the characteristics of the leader's psychological profile perceived as: manager, entrepreneur and leader.

Henri Mintzberg (through managerial roles) and John Kotter tried to differentiate the managerial skills from leadership ones. The concept of leadership started from the personal characteristics of the leaders (Max Webber) and evolved toward cultural characteristics first and then, towards the leadership process reaching the assignment phenomenon and transformational leadership.

The essence of leadership aims at creating consensus, directing employees through psycho-social processes – communication and influence – in order to carry out activities (Tannenbaum, Weschler and Massarik, 1961). It was first considered that the most important thing was the leader's personality (Machiavelli's great men theory and developed by Max Weber). Then, the model based on the leader's personality (from his/her native skills to the ones which can be learned and developed) was replaced by situational leadership (the theory of contingency) and, more recently, by the leadership of processes.

At the beginning of the 1980s, Stephen Covey developed the theory of leadership based on principles that valorise the human being as spiritual being. Thus, the model of cultural leadership appeared (such as American leadership and Japanese leadership, Ouchi and Jager, 1980).

In the late 1980s, a new charismatic leadership appears (Jay Conger and Rabindra Kanungo 1988), charisma being seen as a social relationship as assignment. Another similar model is transactional leadership (Hollander, 1987), which considered leadership as a transaction (a mutual influence), a social exchange between leader and subordinates, which involves influence and counter-influence. At the end of the twentieth century, transformational leadership is mainly centred on changing on individuals and on intellectual stimulation.

At the end of the 18th century Beaudou (1797) characterized the entrepreneur as a person who took risks, who was planning and supervising and had control over the business. As one can notice this approach covers the dimensions of entrepreneurship (taking risks) and also the features of management (planning, supervision, control).

At the beginning of the twentieth century the theory of entrepreneurship was developed by Joseph Schumpeter (1934), Ludwig von Mises and Friedrich von Hayek. According to these authors, the entrepreneurial activity consisted in new ideas and inventions which turned into successful innovations: new products and services – through markets and industries. Later, Frank Knight (1967) and Peter Drucker (1970) defined entrepreneurship as the activity through which a person risks he/her career and money in order to apply a new idea. Peter Drucker considered that the entrepreneur is a person who: “always looks for change, responds to it and explores it as an opportunity” or “maximize opportunities”.

In 1980s, Gifford Pinchot (1983) considered the manager as an entrepreneur in an already formed organization. In this regard, the entrepreneur completes the manager. Thus, the concept of entrepreneurship appeared.

In 1985, Robert Hisrich, talked about entrepreneurship as a process of creating something different, adjustable to change.

During the twentieth century, entrepreneurship was heavily focused on two coordinates: obtaining profit and achieving a competitive advantage meant to make the difference.

The social entrepreneurship appeared after 2000, which aims at building one ecologic business – ethical and sustainable – with positive social impact.

Entrepreneurship is seen as a social phenomenon meant to trigger positive changes. Rural tourism, biological agriculture, the networks of small farmers and artisans are at the border between classical and social entrepreneurship.

Social entrepreneurship is characterized by Gary McPherson, Executive Director, Canadian Centre for Social Entrepreneurship as “combining the essence of business with the essence of community through individual creativity”.

Social Entrepreneurship gathers the theory of classical entrepreneurship (developing a business for achieving the profit) and social change (developing the community within which business takes place). Ecological and ethical perspectives enriched this new orientation of entrepreneurship: the eco-entrepreneurship.

New entrepreneur regards the business not only from the profit point of view but also a social mission. The Nobel Peace Prize awarded to Muhammad Yunus for his innovative project concerning the micro-credits marks the success of social entrepreneurship.

In 2011, Gifford Pinchot talks about the concept of ecopreneuring: “Ecopreneuring is a way of using people desires to serve the planet and its people to inspire profitable innovation”.

One can say that the leaders' role has always been, metaphorically speaking, to answer the needs to find solutions for the changing environment, to answer the social, economic and climate challenges at global level. In order to analyze the current perspectives of leading we need to answer the following question: which are the challenges in our society (how do we recognize them?) How do they appear and what are their economic, social and psychological consequences?

Therefore, we consider that the following aspects are the main economic and environmental challenges:

At economic level and having a strong impact on the environment:

1. Natural resources are in danger of extinction (there are more people but less and more expensive food)
2. Protecting the environment affected by pollution and global warming caused by industrialization and rapid economic growth due to using energetically resources

At social level:

1. Satisfying the needs of the increasing world population (especially in under-developed areas)

2. Deficiencies in the functioning of the welfare state – lack of long term sustainable solutions (the necessity to raise the retiring age and consequently the working years in a person's life) which will lead to replacing the welfare state with of type of state able to offer conditions for fully reevaluating the human potential for a life time with dignity and respect for the others.

At psychological level:

1. Changing the perspective of the individuals who are more and more focused on themselves, on their interests, in the present moment, they live in a physically, psychologically and socially polluted environment which lacks integrity, principles and strong values.
2. Finding solutions for reducing the stress factors which have diversified and have affected the individuals as a consequent of economic and social pressure.

Under these conditions the matter of responsibility toward future and toward future generation is an important and sensitive one and needs urgent and relevant actions. It is urgent to manage the risks which could cause irreversible changes in our natural, social and psychological environment. Also, the present leadership should consider a priority changing of mentality and the attitude towards future and toward environment.

3. Research on perception of leading behavior and processes in Romania

Methodology:

The present research, focus on the way of perceiving and relating to entrepreneurs, managers and leaders, was conducted on 140 employees working for 5 multinational companies between June 2010 and February 2011.

The main purpose of our research was to investigate the current leading tendencies in the employees view (their perceptions and expectations) and to emphasize the behavioural and procedural characteristics attributed to the entrepreneurs, managers and leaders and also to the entrepreneurship, leadership and management.

We started from the confusion in perceiving the entrepreneurs, managers and leaders behaviours as well as in perceiving the entrepreneurship, management and leadership. In the same time, we have noticed a greater

demand to integrate these three roles entrepreneur, manager and leader in the present and future leading process.

Our main hypothesis can be expressed by the obviously presence of those criteria regarding ecology and ethics in the employees' perception toward the present leading behaviour and process in the three roles: entrepreneur, manager and leader.

We have used the psycho-sociological survey and the questionnaire has two parts: the former includes 20 behavioural competencies, and in the latter, 18 differentiation criteria (see Annex 1).

The questionnaire was anonymous and was administered individually. The subjects used Likert scale (from 1 to 7) to assess the behavioural characteristics of the entrepreneur, leader and manager and the processes of entrepreneurship, leadership and management.

Survey results:

In the first part of this survey (see Table 1), the results showed the following perceptive hierarchies belonging to the employees and directed towards the entrepreneurs, managers and leaders behaviour (ranking was done by the arithmetic mean):

Table 1

Perception of leading behaviour: behavioural competencies ($N = 140$)

Perceiving the manager	Perceiving the leader	Perceiving the entrepreneur
1. Speed of thinking and action	1. Integrity and morality	1. Motivation and determination
2. Integrity and morality	2. Motivation and determination	2. Speed of thinking and action
3. Motivation and determination	3. Speed of thinking and action	3. Anticipatory thinking
4. Concentration ability	4. Concentration ability	4. Integrity and morality
5. Anticipatory thinking	5. Anticipatory thinking	5. Courage, boldness, pioneering
6. Analytical thinking	6. Flexibility	6. Evolution, change
7. Thinking project type	7. Team work	7. Concentration ability
18. Independence, autonomy	18. Financial thinking	18. Individual work
19. Individual work	19. Individual work	19. Altruism
20. Egocentrism	20. Egocentrism	20. Egocentrism

The main behaviour characteristics are common for our subjects and refer to: speed of thinking and action (Manager = 6.42; Leader = 6.31; Entrepreneur = 6.28), integrity and morality (Manager = 6.42; Leader = 6.46;

Entrepreneur = 6.22), motivation and determination (Manager = 6.41; Leader = 6.41; Entrepreneur = 6.28), anticipatory thinking (Manager = 6.30; Leader = 6.13; Entrepreneur = 6.26) and concentration ability (Manager = 6.36; Leader = 6.24; Entrepreneur = 6.03).

The least important characteristics of the leading behaviour are considered to be: egocentrism (Manager = 3.57; Leader = 3.51; Entrepreneur = 4.14) and individual work (Manager = 4.97; Leader = 4.89; Entrepreneur = 5.32).

These results support our hypothesis regarding the presence of the ethical and ecological criteria in the employees' perception of the leading behaviour. It is about integrity, morality and anticipatory thinking.

A part from this, the results partially invalidate the hypothesis according to which the entrepreneur's, manager's and leader's behavioural patterns are significantly different. It may be surprising the fact that the subjects do not perceive differently entrepreneur's behaviour, manager's and leader's.

It is possible that these results have been influenced by the fact that all the subjects work for multinationals and, subsequently, the organizational culture of the company influences the way the leading behaviour is perceived.

The fact that egocentrism is ranked last shows the need for the ethical component in the wide current leading process.

The pie charts below (Figures 1, 2 and 3) show the frequency of the two features, integrity and morality, in entrepreneur's, leader's and manager's behaviour.

It is important to emphasize the fact that in the subjects' opinion, integrity and morality should be reflected in a very large and extremely large percentage in the leader's behaviour (88.5%), in the manager's behaviour (87.1%) and in the entrepreneur's behaviour (77.7%).

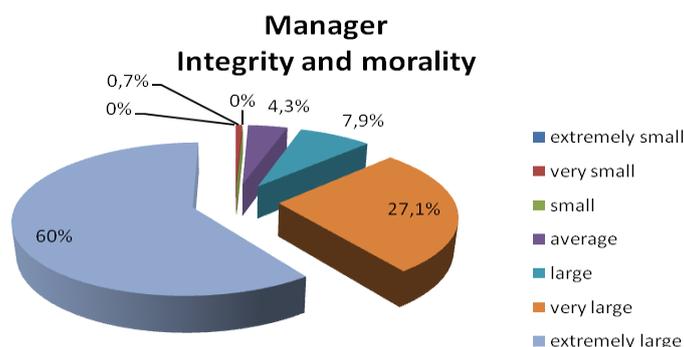


Figure 1.



Figure 2.

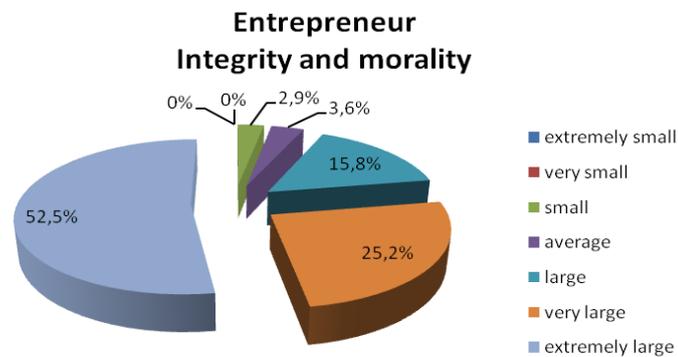


Figure 3.

The graph below (Fig. 4) shows the important anticipatory thinking in leader's, manager's and entrepreneur's behaviour. Anticipatory thinking is very important for our hypothesis related to the ecological criteria in the current leading process, namely, the need to focus on future and to realistically foresee the things that will come next.

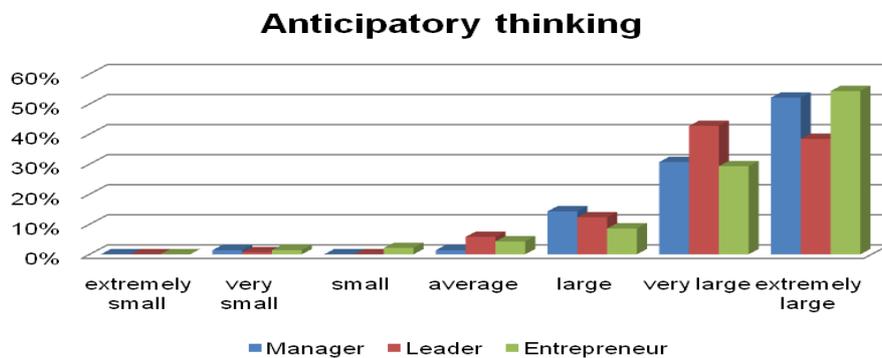


Figure 4.

Regarding this feature, the subjects perceive the entrepreneur as having the core role in building the future. The fact that 83.6% of the subjects say that the anticipatory thinking should be found in the entrepreneur's behaviour in a very large and extremely large percentage proves the need to integrate entrepreneurial culture and competencies in the current leading process and in managers' educational process in schools and universities. The managers' and leaders' competencies should be completed with those of entrepreneurs.

Anticipatory thinking and integrity and morality feature which can be found on top of our list lead us to a new direction of present entrepreneurship namely the social entrepreneurship.

Speed of thinking and action

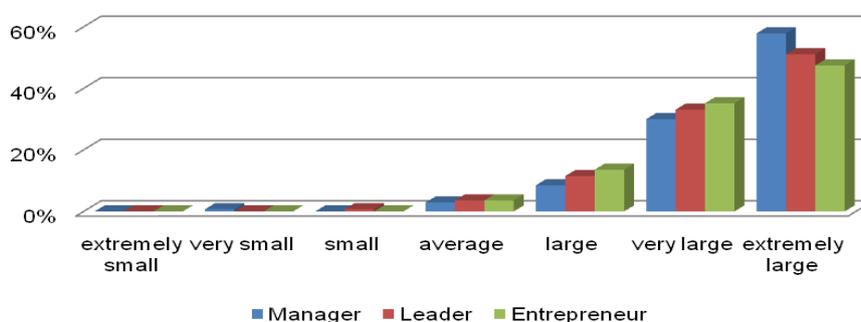


Figure 5.

Figure 5 and 6 show the frequencies of other two important behavioural competencies: the speed of thinking and action and motivation and determination.

Motivation and determination

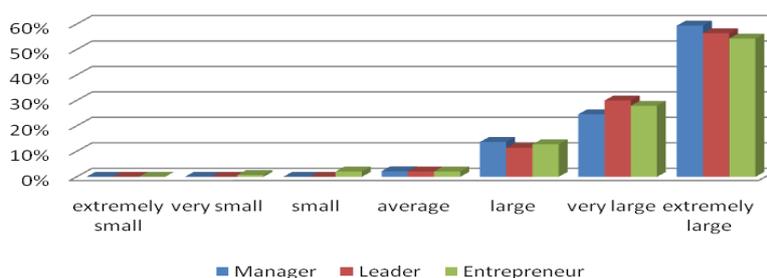


Figure 6.

In the second part of this survey as shown in Table 2, the results have revealed the following perceptive hierarchy towards the characteristics of entrepreneurship, management and leadership. The hierarchy was done by the arithmetic mean:

Table 2

The characteristics of entrepreneurship, management and leadership ($N = 140$)

Perceiving the management	Perceiving the leadership	Perceiving the entrepreneurship
1. Vision and strategy	1. People orientation	1. Vision and strategy
2. Focus on results	2. Coordination (people)	2. Performance, productivity
3. Future orientation	3. Vision and strategy	3. Future orientation
4. Performance, productivity	4. Future orientation	4. Anticipation
5. Planning	5. Feedback	5. Planning
6. Anticipation	6. Direction, role model	6. Focus on results
7. People orientation	7. Organization (activities)	7. Control, monitoring
16. Change	16. Present orientation	16. Focus on processes
17. Focus on processes	17. Change	17. Coaching
18. Present orientation	18. Focus on processes	18. Delegation

There are two common main characteristics of leading behaviour in the subjects' opinion. They refer to vision and strategy (Management = 6.51; Leadership = 6.23; Entrepreneurship = 6.32) and future-orientation (Management = 6.42; Leadership = 6.19; Entrepreneurship = 6.17).

It is important to emphasize other two characteristics: people-orientation (Management = 6.30; Leadership = 6.41; Entrepreneurship = 5.51) and performance orientation (Management = 6.38; Leadership = 6.05; Entrepreneurship = 6.20).

The subjects have ranked last the process orientation, the present-orientation and surprisingly the change.

A possible explanation for ranking the change among the last places could be Romanians' reduce tolerance towards change.

In Figure 7 shows the importance of vision and strategy for the subjects.

Vision and strategy

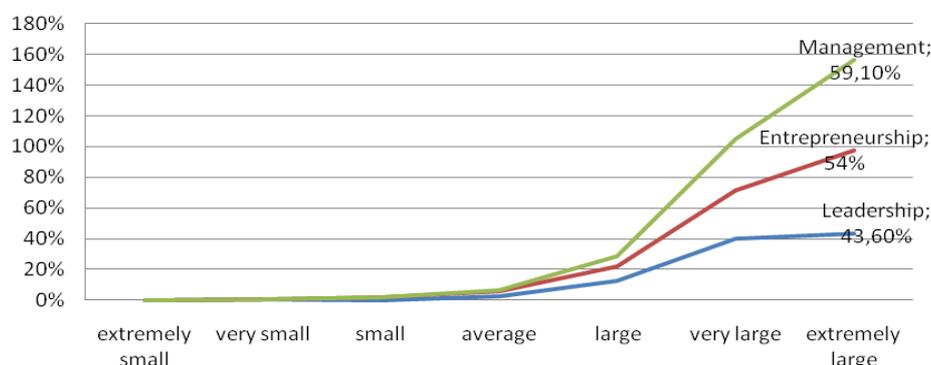


Figure 7.

These results totally confirmed our hypothesis regarding the presence of ecological criteria in the employees' perception of the leading process. For our subjects, strong orientation towards future, vision and strategy represent the main engine in the current leading process. These data show the urgent need of involving the leading segment (the manager, the leader and the entrepreneur) in a sustainable and ecological development process.

Figure 8 shows the frequency of people orientation feature for entrepreneurship, management and leadership.

These results partially confirm the hypothesis according to which there are significant differences between entrepreneurship, management and leadership. The above mention feature is characteristic more to leadership and management than to entrepreneurship.

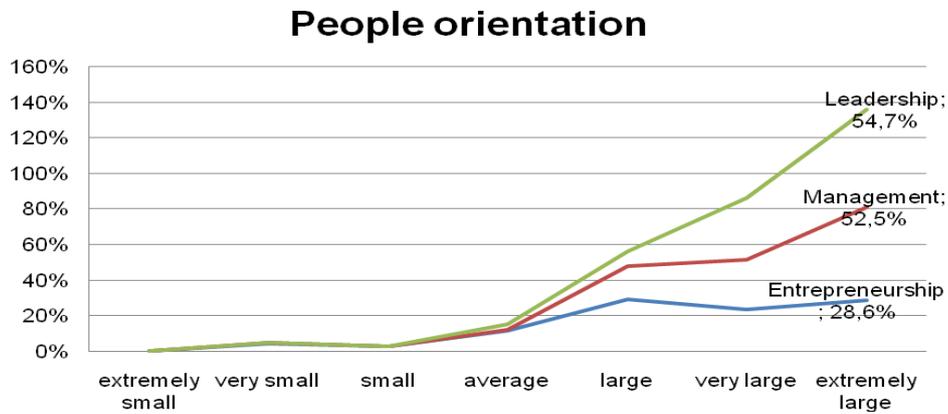


Figure 8.

In the same time, performance and productivity (Fig. 9) are more characteristic to management and entrepreneurship than to leadership.

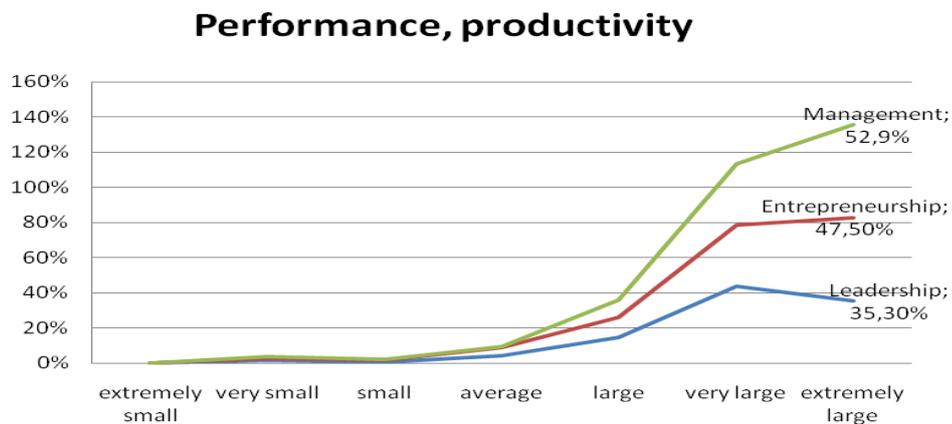


Figure 9.

4. Conclusions

Our study has identified the tendencies of the current leading behaviour and process which confirm our hypotheses. It is about the need of an active and continuous presence of ethical and ecological criteria in the structure both of the leading process and of the leading thinking and behaviour. These tendencies can be found in all three roles: entrepreneur, manager and leader.

The results show that there are similar ways of perceiving the behavioural competencies of three roles: entrepreneur, manager and leader. This fact can be considered a result of the need to integrate all the three roles in the current leading process.

This survey emphasizes a few conclusions:

I. Regarding the importance of the above mentioned characteristics in the current leading behaviour:

- the subjects mention almost the same behavioural leading characteristics (integrity and morality, speed of thinking and action, motivation and determination, concentration ability, anticipatory thinking), associated with the three roles: entrepreneur, leader and manager;
- the tendency of entrepreneurial behaviour towards: speed of thinking and action, anticipatory thinking, evolution and change, courage, boldness, pioneering and innovation, but also towards integrity and morality;
- the tendency of leading behaviour towards: integrity and morality, anticipatory thinking, teamwork, commitment and trust;
- the tendency of the managerial behaviour towards: integrity and morality, anticipatory thinking, analytical thinking and financial thinking.

II. Regarding the importance of the above mentioned characteristics in the current leading process:

- the employees' perception reflects that there are two main characteristics common for entrepreneurship, leadership and management: strategy and vision and future-orientation;
- the tendency of entrepreneurship towards: focus on results and performance orientation, planning and change;
- the tendency of leadership towards: focus on people and coordinating, directing, role model, feedback and coaching;
- the tendency of management towards: focus on results and performance orientation, focus on people, planning.

Although this survey has its limits (namely, a small number of Romanian subjects working only in multinationals) we can state the need of integration at global level of ecological and ethical criteria in the current leading process.

Also, we believe that this new model of leading integrates the three roles: manager, leader and entrepreneur.

What is new? Eco-management, eco-leadership and eco-entrepreneurship. In future we will continue this research with extending it on a larger sample and deepening the analysis from the perspective of leading behaviour and process eco-results.

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APPENDIX 1 – Questionnaire

Research on perception of leading behaviour and processes in Romania

1. To what extent can you appreciate as being important for the entrepreneur, leader and manager behaviour, the following behaviour competencies on a scale from 1 to 7 (you can use decimals) (1 – extremely small, 2 – very small, 3 – small, 4 – average 5 – large, 6 – very large, 7 – extremely large).

No.	Behaviour competencies	Entrepreneur	Leader	Manager
1	Risk-taking			
2	Courage, boldness, pioneering			
3	Innovation, experimentation			
4	Independence, autonomy			
5	Individual work			
6	Team work			
7	Flexibility			
8	Speed of thinking and action			
9	Motivation and determination			
10	Concentration ability			
11	Confidence, trust			
12	Integrity and morality			
13	Evolution, change			
14	Conceptual thinking			
15	Financial thinking			
16	Thinking project type			
17	Anticipatory thinking			
18	Analytical thinking			
19	Egocentric, self-centred			
20	Altruism, generosity			

2. To what extent can you appreciate as being important for entrepreneurship, leadership and management, the following behaviour competencies, on a scale from 1-7 (you can use decimals)

(1 – extremely small, 2 – very small, 3 – small, 4 – average, 5 – large, 6 – very large, 7 – extremely large)

No.	Criteria, characteristics	Entrepreneurship	Leadership	Management
1	Focus on results			
2	Focus on processes			
3	People-orientation			
4	Present-orientation			
5	Future-orientation			
6	Organization (activities)			
7	Coordination (people)			
8	Planning			
9	Anticipation			
10	Control, monitoring			
11	Evaluation, rating			
12	Delegation			
13	Coaching			
14	Change			
15	Performance, productivity			
16	Feedback			
17	Direction, role model			
18	Vision and strategy			