

## IDENTIFYING MANAGEMENT STYLES IN WOMEN ENTREPRENEURSHIP

*Nicoleta MUNTEANU* <sup>a\*</sup>

<sup>a</sup> Euro INSOL SPRL, Romania

---

### ABSTRACT

*In this article, having regard to the European and national women entrepreneurship, we attempted to identify the women entrepreneurs' management styles. As a concept, the management style is very important to the organizational management as a whole because it represents the very essence of same, in my opinion. Defining the management style as a manager's own and personal means of networking both professionally and personally with their direct subordinates to determine them to observe his/her instructions, we included in this definition the essence of management, which is nothing other than the achievement of goals and the resolution of tasks through one's subordinates. To identify these styles, we opted for the questionnaire developed by Fiedler, an advocate for situational approaches, in the form of a questionnaire-based qualitative research. Basically, Fiedler assumes that a manager asked to characterize their least preferred co-workers through a set of adjectives, if they have a task orientation, they will tend to rate their least preferred co-workers by picking the negative adjectives from a series of bipolar scales (between tense and relaxed, they will choose tense). If the manager has human relations orientation, they will understand that their least preferred co-worker may be relaxed, sociable, willing to oblige, etc. For all the debates it generated, this questionnaire remains an interest tool for the identification of leadership styles.*

**KEYWORDS:** *entrepreneurial culture, entrepreneurship management, management style, women entrepreneurship.*

---

### 1. INTRODUCTION

#### PARTICULARITIES OF ROMANIAN WOMEN ENTREPRENEURSHIP

The role of entrepreneurship and of the entrepreneur in the circular flow as a whole is extremely complex and very difficult to quantify. It would be most effective to start from the definitions of entrepreneurship, of the entrepreneur and entrepreneurial activity. A mere reading of the specialized literature will simply throw us into the classical paradox of social sciences. As a social and economic phenomenon, entrepreneurship is defined from many perspectives and is analysed from a lot of angles. Since it does not fall within the scope of this scientific survey, I will adhere to a view that arguably has the highest degree of acceptance, namely the definitions agreed upon by OECD and EUROSTAT. These conceptual clarifications were necessary at European level, for the standardization of the data and information required for the European statistical analyses, on the one hand, and for the harmonization of the European economic system philosophy focused on the social economy model, officially endorsed by the EU and reiterated on the Lisbon agenda, on the other. Before presenting these definitions, I will reference the technique of focused ameliorative insertions and the concentric circles technique to provide a synthetic view of what European women entrepreneurship is about today and of the efforts used in our country by the women entrepreneurs.

---

\* Corresponding author. E-mail address: nicoleta.munteanu@euroinsol.eu

While not directly connected to the main purpose of this scientific survey apparently, these observations help me summarize the context necessary for understanding management and leadership dynamics in the economic space and subsequently provide me with all the tools necessary for the identification of the management style in women entrepreneurship.

The concentric circles technique will be used from general to particular and the main approaches for each circle are: the philosophy of the European economy, the European entrepreneurship regulations, European women entrepreneurship and Romanian women entrepreneurship.

The social economy model specific to the European area is structured by three main targets:

- obtaining profit;
- social responsibility;
- concern for the environment.

According to the Word Bank (2012), in order to understand the European model, one should understand the main pillars on which it was built:

- **the trade in the European area** is unique in the world in that the national economies forming the European economic system, despite their differences, have a high level of integration by co-operation that enables a convergence between the indicator of the standard of living and the income indicator;
- **finances** are specific in that the private equity fund, a strong financial indicator, in all its forms - direct foreign investments, financial and non-financial, works in a bidirectional "high-down" direction, from the richest to the less rich countries and vice versa;
- **The enterprise**, as an economic actor, has particularities that distinguish it from the enterprises outside the European Economic Area: in addition to the tendency for profit specific to any economic actor operating in a market economy, the enterprise is characterized by an increased social responsibility towards the community in which it operates (at present, the Social Responsibility of Enterprises is a subject studied in many economics universities across Europe as well as in business schools) as well as an increased responsibility towards the environment (see the provisions of Paris Agreement);
- **Innovation**, research, development and higher education in Europe are viewed as a responsibility of the states and lately, of the European political structures compared the "spillover" role of the economy;
- **The working process** is regulated by the most advantageous policies in terms of the employee-employer relation, with a focus on the employee's interests (limitation of employers' abuse, appropriate salaries, regulation of job security, etc.);
- **Governance**, the European political model is one of the most effective in the world, one which enables, probably, the highest re-distributivity and supranational coordination in the world.

The entrepreneurial philosophy in an economic system is pertaining to creativity, development, obtaining added value, in a word, to capitalization. Such systematic and focused action needs to be supported by regulatory doctrines. For the purposes of this scientific survey, I would remind the "Europe 2020" strategy and the 2011 Small Business Act, as reviewed. According to the "Europe 2020" strategy, also known as Europe 20-20, European economy will know a smart, sustainable and inclusive growth. The 2011 Small Business Act is probably the most important document in promoting the SMEs entrepreneurship in Europe. A simple reading of the courses of actions (Entrepreneurship 2020 Action Plan) show us the directions to follow. Among them, there are three directions of particular interest to me:

- **Support for the new entrepreneurs** by developing digital entrepreneurship focused on the production of "organic" products, promoting collaboration with cross-border markets, sustainable European training (vocational, technical, bachelor's degree, master's degree, PhD), support for innovation and opening of new businesses;

- **Entrepreneurial education and training of young people** by developing a European platform for entrepreneurial education, entering in the national curricula of all levels, of the knowledge required for the formation of entrepreneurial behaviour, developing practical skills and acquiring entrepreneurial expertise by young people before their higher education, support in the development of the entrepreneurial education institutions;
- **Encouraging entrepreneurial potential in women** by expanding the networks of entrepreneurship ambassadors and mentors, customizing women training, networking with women entrepreneurs. In short, the aim is to build a management specific to women entrepreneurship, based on feminine traits and skills, but also connected to science, art and the state of mind of management in general.

Within the European entrepreneurship ensemble, women entrepreneurship plays an ever more important and complex role that relies primarily on the economic emancipation of women and the development of women's careers in the economic system. Arguably, the most eloquent proof of the importance given to women entrepreneurship is the European network for the promotion of women entrepreneurship, a Swedish 27-member association which aims to increase women entrepreneurs' visibility and to create an environment suitable for an increase in their number.

We mentioned this network because this is one of the major players in creating and exporting a European entrepreneurial managerial culture to national states in the form of best practices and benchmarking.

The activity of this network has an impact on the development of European as well as Romanian women entrepreneurship. As a result of the constant involvement of the network in the culture of women entrepreneurs, in Romania were established, in addition to professional bodies, two women entrepreneurs' networks - the National Network of Women Entrepreneurship Ambassadors and the National Network of Mentors for Women Entrepreneurs, both with correspondent bodies within the EU.

Last but not least, beyond the concentric circles we analysed in brief, entrepreneurial management relies on three key concepts that were stated in the beginning of this scientific survey: entrepreneurship - entrepreneur - entrepreneurial activity.

According to OECD and EUROSTAT an entrepreneur is an individual (business owner, shareholder, partner) who aims to generate added value by building and developing economic activities and by discovering and exploiting new products, services and markets. An entrepreneur is the person willing to work, to change, to innovate for the purpose of capitalizing their entire business to themselves and to the community in which they live.

Entrepreneurial activity is a human action likely to generate added value from the increase and development of efficient economic activities and by creating new products, services and markets which, in turn, will generate yield and profits.

Entrepreneurship is the phenomenon relating to entrepreneurial activity, an effort not only economic, but also social, cultural, strategic which aims to create and maintain specific abilities, habits and skills long enough to create beliefs and values, in a word, the entrepreneurial culture.

## **2. MANAGEMENT STYLES AND WOMEN ENTREPRENEURSHIP**

As an entrepreneurial culture in general, women's entrepreneurial culture indicates that a social environment has been created which is systematic, scientific, pragmatic and likely to cause in turn the formation of other environments as well. By reference to organizations, in the professional environment the women entrepreneurs' culture is best expressed by the organizational management. As a basis for any organizational development, management has become "the great revolution of the 21st century". Considered science, art, state of mind, profession, career, management is the most effective way of rationalizing efforts to achieve joint goals, namely those achievable by group efforts.

The management performed by women entrepreneurs relies on the organizational management with respect to the management of structures and the management of people. It is not my intention to examine the quality and the future of the management performed by women entrepreneurs. Starting from the premise that the management style is the concentration of all the management features into one figure (the manager) with a view to determining the employees to engage in the activities requested, we considered useful to identify the management styles specific to women entrepreneurs. I was curious not only as a scientist but also as an individual (in)formally working in this field. Formally, as shareholder, and informally, as a women entrepreneurship ambassador and mentor in Europe and Romania. The expertise I gained allowed me to develop managerial skills that I was able to use in both situations.

According to the hypothesis stated above, the management style is the essence of managerial activity as well as the quintessence of all managerial skills, abilities and habits. Viewed from the organizational behaviour perspective, it can be described as a leader's personal ability to form relationships with their subordinates, to react, to give orders and to determine other people to do what he/she wants (Pruna, 2012).

Understood as such, the management style relies strictly on the personality and the behaviour of the manager, on their interpersonal and social skills. Moreover, the style concentrates the authority and personal power of the manager and is their personal matrix in their relations with the subordinates. For these reasons, I aimed to identify the management style of women entrepreneurs.

On the other hand, the management style influences all management-related organizational issues - organizational structure, planning tools, organizational relations, career, organizational goals, organizational communication philosophy, management of organizational conflicts, etc.

In this respect, some authors (Valerio, 2009; Powell, 2010) analysed the way in which female managers and male manager carve their own management style in the organizations under their leadership, and insisted on the shared issues of the management style developed by female managers and male managers, respectively and the differences between such styles, and the mark they leave on the efficiency of the organization.

The identification and creation of a management style typology was simultaneous with the management development and many classifications and points of view were drawn up for the identification of the leadership styles. Various structuring indicators were considered: task, man, context, nature of work, etc. (Lewin, 1946; Blake & Mouton, 1985; Fiedler, 1965; Zlate, 2005).

All the efforts to systematize and understand the complexity of the management style had a sole common denominator, namely there is not just one style of efficient management, only an effective or ineffective management style, depending on the social and organizational context (Zlate, 2005).

This way of understanding and analysing the leadership style is referenced as a contextual approach in the legal doctrine. Fiedler's view on the questionnaire for leadership style identification by analysing the least preferred co-worker, too, falls within the scope of the contextual approaches.

## **2.1 Fiedler's situational style**

The least preferred co-worker scheme was checked and developed by Fiedler (1967) while he was a professor at Washington University. As he worked on two important variables by which he was attempting to render the manager's activity and orientation and group efficiency more efficient, Fiedler understood these were not intertwined, rather, they depended on the actual situation in which the work is done (the dynamics of interpersonal working relations) and which favours the exercise of influence. In other words, some situations are more favourable than others to the performance of management and also require distinct perceptions on the part of the manager. This technique relies on a sensitive mechanism of influence which causes errors in the evaluation.

Fidler's assumption is the following: when we think of an individual with whom we would prefer not to work or have near us in our everyday professional effort, we are setting in motion two philosophies of response to that person. Paradoxically, these responses are not necessarily related to

that person but, rather, with our psychological orientation, namely a human relations orientation or a result orientation.

A result (task) oriented manager equates that person (who is not their preferred one) and that person's capacities. In other words, if a co-worker is not a person preferred by a manager, then that person "must be" boring, pessimistic, aloof, apathetic, indifferent, etc.

On the other hand, a human relations oriented manager will equate their perception of that person and that person's human qualities. In other words, if a co-worker is not a person preferred by a manager, then he/she may very well be pleasant, responsive, cooperative, interesting, optimistic, etc.

Situational encouragement refers to the orientation of the manager which, in this case, is the most entitled to the efficiency of the working group. This theory paves the way for the situation-based research given the role of a leader is to assess context correctly and to find the most suitable style in any given circumstance.

This undertaking is based on 16 pairs of adjectives such as "sad - happy"; "pessimistic - optimistic", which describe the least preferred co-worker. The answer scale is from 1 to 8, where, for instance, 1 is for sad and 8 is for happy. Based on this questionnaire we will be able, through data processing, to determine if the manager has a human relations or task orientation.

### **3. IDENTIFYING MANAGEMENT STYLES IN WOMEN ENTREPRENEURSHIP**

#### **3.1 A few clarifications regarding the methodology of research**

I came up with the idea for this scientific study about a year ago, during which time I applied an identification questionnaire based on Fiedler's 1967 questionnaire. I do not claim that the sample resulting after the administration of this questionnaire is representative, but I consider that, at this point, having regard to the results obtained, it is representative enough by reference to the qualitative research on which it is based. Being able to administer many questionnaires due to the nature of my work and the projects in which I was involved within the women entrepreneurship, I stopped the research when I realized that the answers were starting to sound very much alike. Using the "snowball" technique, I stopped the research when I realized that it could no longer provide new information. My sample is comprised of women entrepreneurs from the urban and rural sector, aged between 25 and 65, whose objects cover almost the entire spectrum of private economic activities. I was able to question 213 women entrepreneurs. The questionnaire was self-administered, without my direct involvement (I did not provide explanations about the meaning of, say, the adjective "superficial" and I asked the respondents to answer as they may deem fit at that point).

The questionnaire I used for research purposes is the following:

Unpleasant	1	2	3	4	5	6	7	8	Pleasant
Unfriendly	1	2	3	4	5	6	7	8	Friendly
Repulsive	1	2	3	4	5	6	7	8	Attractive
Indifferent	1	2	3	4	5	6	7	8	Helpful
Apathetic	1	2	3	4	5	6	7	8	Enthusiast
Tense	1	2	3	4	5	6	7	8	Relaxed
Distant	1	2	3	4	5	6	7	8	Close
Cold	1	2	3	4	5	6	7	8	Affectionate
Individualistic	1	2	3	4	5	6	7	8	Cooperative
Hostile	1	2	3	4	5	6	7	8	Supportive
Superficial	1	2	3	4	5	6	7	8	Interesting
Aggressive	1	2	3	4	5	6	7	8	Pacifist
Unsecure	1	2	3	4	5	6	7	8	Confident
Pessimistic	1	2	3	4	5	6	7	8	Optimistic
Sad	1	2	3	4	5	6	7	8	Joyful
Sympathetic	1	2	3	4	5	6	7	8	Sociable

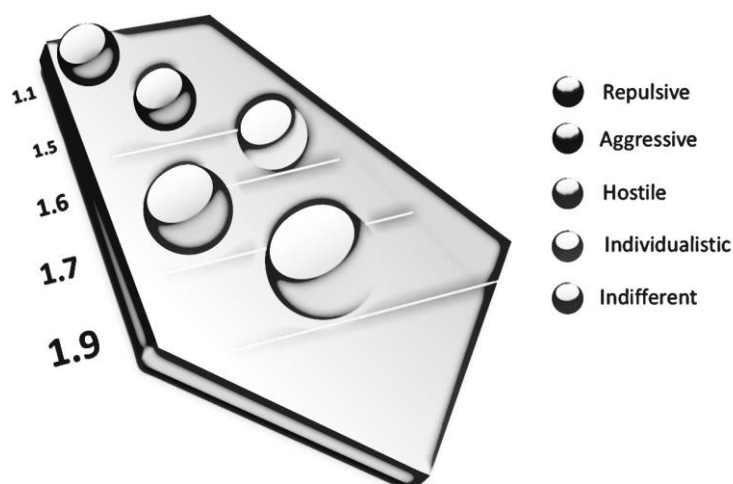
**Figure 1. Management style identification questionnaire**

*Source:* based on Fiedler (1967)

### 3.2 The results obtained after the data analysis and processing

The analysis and processing of the 213 project questionnaires in terms of the answers given by the women entrepreneurs have led to the following results:

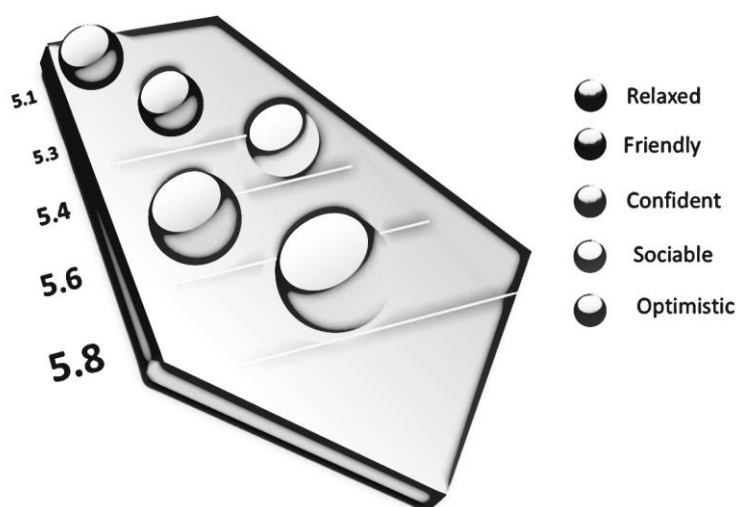
- the general average score for the answers to the 16 pairs of adjectives was 3.7, which indicates that women entrepreneurs incline towards a task oriented management, in my opinion. An in-depth analysis on this option seems reasonable if one considers, on account of the social environment, that it is more difficult for women entrepreneurs to build a career than it is for men. We can also take into account the fact that women entrepreneurs are far less than men entrepreneurs and the minority effect may create a more rational management-related view which is task oriented. On the other hand, having regard to the feminine coefficient (Hofstede, 1983), women entrepreneurs should promote human quality by such adjectives as: pacifist, friendly, attractive, pleasant. The task oriented style focuses on the fulfilment of tasks, the rationalization of labour, formal working relations and also on the relations of authority.
- The main objectives the women entrepreneurs interviewed awarded the lowest score, which is indicative of a somewhat rigid orientation toward them, were, in descending order: "indifferent"- average score 1.9; "individualistic" – score 1.7; "hostile" – score 1.6; "aggressive" – score 1.5 and "repulsive" – score 1.1. I explained to the respondents that they should not necessarily view their least preferred co-workers as men and that they could be women just as well. Analysing these low-scoring adjectives, they seem specific to the masculine gender, especially hostility, aggressiveness and indifference. It is quite possible for the interviewees to have compared themselves with the men managers.



**Figure 2. The lowest average scores of the pairs of adjectives by reference to the general average score**

*Source: the author*

- The main objectives the women entrepreneurs interviewed awarded the highest score, which is indicative of a somewhat flexible orientation toward them, were, in ascending order: “relaxed” – score 5.1; “friendly” – score 5.3; “confident” – score 5.4; “sociable” – score 5.6; “optimistic” – score 5.8.



**Figure 3. The highest average scores of the pairs of adjectives by reference to the general average score**

*Source: the author*

Analysing these high scoring adjectives, most of them are relating to the volitional features of human behaviour and describe manifestations of volition which is active per se, rather than affective manifestations. From this perspective, I was able to conclude that women entrepreneurs, while basically inclined towards task, has the psychological ability to assess (by high scores) certain personal traits even if they are more likely to pertain to the active skills of the people in question.

#### 4. CONCLUSIONS

If women entrepreneurs try to learn as much as possible about the organizational management, their knowledge will contribute to, inter alia, the diversification of the managerial training programs in the field and the identification of the management highlights in the activity of women entrepreneurs. Among these issues, I consider the possibility of identifying the management style is very important as it helps us understand and explain many actions of the female managers. The general average score for the answers to the 16 pairs of adjectives during the research to identify the management styles was 3.7, which indicates that women entrepreneurs inclines towards a task oriented management, in my opinion.

Although this score may sound, *prima facie*, surprising in the light of feminine concept developed by Hofstede in the management field, and since women entrepreneurs should be characterised by such adjectives as "affectionate", "pacifist", "attractive", "helpful" even, which are closer to feminine philosophy, this research aims for the opposite, leaning toward the "negative" side of the pair of adjectives, which is rather masculine in nature.

To gain a better understanding of the significance of this score I wished to analyse those traits that are below average as well as over the average, to outline those traits that are very masculine (as identified in the research: "indifferent", "individualistic", "hostile", "aggressive" and "repulsive") as well as the very feminine ones (as identified in the research: "relaxed", "friendly", "confident", "sociable" and "optimistic").

An in-depth analysis on this option seems reasonable if one takes into account that, on account of the social environment.

In Romania, the management environment is viewed as a man's world, one in which men make the rules of the game and women who want to play this game must work harder. This is what makes it possible for a woman entrepreneur to "model" her activity on the male manager's deeds in order to adhere *a priori* to this world. This trend could make the object of my future researches because it would be important to see to what extent a woman entrepreneur creates her own managerial style or builds it by adaptation of the male managerial profile.

I also consider that my research can pave the way for other surveys and researches relating to: the main constituents of the task-oriented management style adopted by female managers, the particularities of the people-oriented management style in woman entrepreneurship, the identification of a matrix specific to a management style that is efficient for woman entrepreneurship, the differences between the woman and man entrepreneurship in terms of elaboration of an efficient management style, and so forth.

Performance of studies and researches relating to women entrepreneurship is increasingly opportune given that women entrepreneurs have become an ever more frequent presence in the business environment and the affairs they lead are gaining more ground in the general economic system.

#### REFERENCES

- Blake, R., Mouton, J. (1985). *The new managerial grid*, Huston, USA.
- Hofstede, G. (1983). *Cultures Consequences: International Differences in Work-Related Values*. Administrative Science Quarterly, Cornell University, USA.
- Lewin, K. (1946). *Research programme of group dynamics*. MIT, Sociometry, no.2, Massachusetts.
- Powell, G., N. (2010). *Women and man in management*. Thousand Oaks, 4<sup>th</sup> ed., CA: Sage.
- Prună, S. (2012). *Managementul organizațional al poliției*. Bucharest, Universul Juridic Publishing House.
- Valerio, A., M. (2009). *Developing women leaders: A guide for men and women in organizations*. West Sussex, UK: John Wiley Blackwell.
- World Bank Report (2012). *Golden Growth: Restoring the lustre of the European economic model*.
- Zlate, M. (2005). *Tratat de psihologie managerial organizațională*, Iași, Polirom Publishing House.