

THE PLACE OF WICS MODEL IN THE GOVERNANCE OF AN AUTOMOTIVE SYSTEMS CORPORATION

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ABSTRACT

In the current economic environment, most problems find their solving using science, as happens in the case of enterprise management processes. A distinct research field is represented by the organizational leadership which encompasses a key point at the top of most organizations. If leadership is considered an art in the military, a similar situation can be found in business. The approach of this paper is to analyze, first on a theoretical level and then through a circumstantial research the management system of SC Continental Automotive Systems SRL. WICS model's integration to enterprises differs from one company to another as it takes into account the specific characteristics of the enterprise and its products. Dealing with multiple and unexpected problems caused by economic instability, inflation, environmental protection, market diversification creates difficulties in finding an effective way to a successful administration of the company. A central element in the company's policy is the leader and the sponsorship for his employees. Starting from the very basic concept of the company, which pictures the idea of mobility, we consider appropriate the adaptation of the person responsible for the decision making to a mobile management framework, thus attracting success.

KEYWORDS: *Automotive Systems, Industry, Success, WICS.*

1. A SHORT REMINDER OF WICS NETWORK - CONTENT AND DIMENSIONS

A variety of facts and judgments show that the functioning and efficiency of organizations has as a key-element the management. Assuming this and talking about versatility, we should question the effectiveness of decision-making and the workings of successful leaders. How can an organization characterized by change align creative sources that meet the organizational objectives?

In what manner is the leader manifesting his true influence and what it takes to become effective in a multinational corporation? In an attempt to eclipse all these aspects, we consider the WICS model of leadership an answer to attracting success in modern management. WICS concept emerged in the field of school psychology. In its analysis, Robert Sternberg assumes that successful leaders must do two things, among others. First, they must have a vision that their followers understand, accept, and support. Then they must engage in the complex processing of information, which results in the creation, implementation and monitoring of their vision (Sternberg, 2003)

In the mentioned author's opinion, the main source is the intelligence, by adapting, modeling and selection of socio-cultural environments, resulting balanced analytical, creative and practical skills. Extending the explanation concerning the analytical intelligence, it is involved when a person applies

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those skills to quite abstract problems, which have, however, a familiar configuration. Simultaneously, creative intelligence characterizes the person applying those skills to relatively new tasks and situations. It also affects the individual who applies practical intelligence processes to everyday problems, in order to adapt, model and select circumstances. Creativity as the ability to formulate and solve problems, magnetizes relatively new solutions and high-quality production.

Another important implication resulting from the outline of the network refers to the interaction of wisdom, intelligence, creativity and knowledge to achieve the common good. From this observation one can notice the immense need of balancing general and particular interests. Sternberg says that the best leaders exhibit these dimensions of the model. Therefore, intelligence, wisdom and creativity are interrelated and can be improved.

In view of logistic management, the emphasis is on the process of planning, implementation and control of bidirectional and storage of efficient goods, services and related information between the point of origin and one or more points of consumption in order to meet consumer demands. Innovation claim its rights when it comes to a change of people, resources, climate or the patrimony of the company.

Interaction and access to subordinates denotes the certainty that the leader is able to satisfy their needs, identify dissatisfaction and to pose in the role of their defender. Here the leader's intervention is outlined, which annihilates those complaints and harness the potential of individuals, directing the productivity of the organization.

2. ROMANIAN AUTOMOTIVE SYSTEMS FRAMEWORK

Eastern Europe is highly attractive to automakers, given the multiple tax exemptions and aid to investors. An analysis based on statistical data concerning the classification of economic activities for all companies illustrates one of the main objects of activity that is the production of auto components.

In Romania, manufacture of auto parts is one of the most lucrative industries, winning the country's magnetic feature. The main segment is the production of cars, vans, and sport utility vehicles, while commercial vehicles such as large trucks, a secondary industry (Stroe, 2015). The automotive industry includes the design, development, production, promotion and selling of motor vehicles as one of the most dynamic economic sectors. Many manufacturers of automotive components are attracted by Romania's qualified employees.

It has been clearly highlighted that the fit between employees and their jobs is improved by applying the right vacant position for a particular candidate rather than looking somebody for a job. In other words, the more appropriate the position is for the person, the more satisfied and motivated the employee will be, which definitely attracts productivity. We strongly believe that the importance of these automotive centers consists in taking steps toward economic exploitation of research results and the development of a knowledge-based economy.

3. PRACTICAL APPROACH CONCERNING THE MANAGEMENT OF SC CONTINENTAL AUTOMOTIVE SYSTEMS SRL

Continental Automotive Systems Sibiu is an economic unit that runs the industrial production and has been growing steadily in Sibiu since 2004. The corporation currently employs 2800 variable operators (work is carried out in four shifts) and over 1500 employees, (engineers, architects and technicians highly skilled in design and development center). The field of activity is the manufacture of control modules for operating the doors, windows, headlight range adjustment, gearboxes. The company's logistic system consists of a set of interrelated activities which imply serious decision factors.

It is considered a critical unit of the national economy because of the various resources used in the production process which are based on the principles of efficiency and profitability, in order to obtain industrial goods and services for the satisfaction of international and regional market. In this way, the company develops and produces innovative products and systems for a modern automotive future, in which cars provide individual mobility and driving pleasure, safety, environmental responsibility and cost-efficiency driving. In fact, all companies and institutions involved in production or those generating waste (eg hospitals, educational institutions, public service providers, etc.) must be aware, first of all, of massive pollution due to production of any kind ; therefore, the best measures to protect the environment (Bungau et al., 2015; Bungau et al., 2015; Bungau et al., 2018; Ionescu et al., 2015; Rada et al., 2017; Rada et al., 2018; Popescu et al., 2016) and to save the energy (Prada et al., 2017; Rada et al., 2017; Vesselenyi et al., 2014) must be taken. On this basis, being a research and development center, the corporation Continental is one of the largest tire manufacturers in the world (Both, 2014)

Continuing the approach, the attention will be focused on the model's functionality across organizational background. Production is a decisive process in the value chain of a company that promotes quality and products competitiveness. Company's organizational chart is structured on hierarchical work compartments. Thus, the top of the hierarchy is occupied by general manager who coordinates technical departments responsible for quality, economy, human resources, production, environment protection, legislative tasks.

The long-term existence of the enterprise depends on today's logistic process control: strategy, growth or flexibility is directly associated with the management, which makes strategic decisions and prospects for development. There is a close link between productivity and advances in logistics.

Production must be scheduled in order to be able to meet customers' needs just in time. Assuring a communication system allows access to information and reflects key levels of the production process, which is conducted through orders (commercial orders from the client).

In this context, the supply chain is a coordinated system (trade people -Continental- customers), engaging people, activities, information flow and resources in moving a product in a physical or virtual manner from supplier to customer. Administrative operations in the working modules include handling of orders, tracking service, control of supply routes, track inventories of materials and components as well as inventories. Supervision of the specialized logistic tasks is appropriate only where logistics activities have large share in the enterprise. Practice shows that departments are focused mainly on retail activity, while leaders are in charge of the cost-oriented product flow.

Continental generates technology and innovations. Such top position could not have a solid background unless employees are able to develop ideas in an environment that inspires and motivates others. The decisional process involves the employees, encourages individual responsibility and everyone is assessed by their actions.

4. APPLYING THE MODEL TO THE COMPANY'S ACTIVITY

Providing a wide spectrum of engineering and technical training is not enough for a good leader in the automotive industry. The attempt of capturing how WICS variables work was made through an analogy with how Continental expressed vision of effective management.

Leaders must be prepared to contribute to the design and bringing new solutions in terms of vehicle development. The holistic leadership policy underlies the idea of working with and for one another. In this company, working relationships are connected to corporate values – trust, passion to win, freedom to act, and for one another. The corporate culture is put into practice through each value.

Also there are two strategic pillars - Industrialize Best Fit, Enable Transformation-beneficial for implementing different projects and initiatives in the need of correlation between employees with suitable skills and abilities with digital transformation. The functional responsibilities of team leaders include: analyzing technical quality in the projects, finding the causes of the defects and their

elimination, proposing a plan to streamline processes, realization of aided design assemblies and subassemblies, 2D and 3D assembling and machining programs for industrial tools (Industria auto, un domeniu economic cu o dezvoltare rapidă în Regiunea Centru, n.d.).

Thus, a vast experience is required in managing subordinates and in collaboration with external partners, direct productive staff shift planning, organizing and coordinating its organization of production processes in order to meet delivery deadlines and quality standards.

The employee is responsible, among other things, of testing electronic systems prototypes, the development of hardware and software solutions for improving testing procedures and quality of products. Awareness raises when it comes to the preparing of young people for a successful career in the automotive industry.

4.1 Creativity within the company

The creation of value is based on the symbolic corporate tree respectively: innovation, productivity and global growth. Innovative leaders bring the best ideas faster than competitors, turning them into marketable products, systems, functions and solutions (Lakatos et al., 2016; Lakatos et al., 2018).

The corporate culture ensures a great flexibility in order for the employees to unleash their full potential with regard to their individual skills, grow to help complete tasks and objectives and thereby make the best contribution to overall success (The WICS Model, in „Leadership Corner”, 2008). An example could be calling the intervention of the engineer on-duty in the case of failure.

For continuous improvement workshops are organized periodically, one of the most used techniques for creativity (Badulescu et al., 2015; Giurgiu et al., 2008; Giurgiu et al., 2015). Its aim is to get as many ideas on a given topic without being imposed any restrictions to group members who apply it. This technique is used in quality management, namely to find solutions to problems and opportunities to increase the quality of products or processes, and to improve the occupational health and the safety in the framework of corporate social responsibility (Cioca et al., 2009; Cioca & Moraru, 2010). This method involves all employees in exposing problems, finding solutions, listening to their suggestions, all these actions taking place on all organizational levels. Each employee can improve the quality of and products through discovery solutions, thereby solving a difficulty.

4.2 Intelligence within the company

Adding value to the markets of the world is a defined purpose of the company, because it is necessary to respond very quickly to constantly changing market requirements and individual customer demands.

Product cycles are becoming shorter, which implies the flexibility to adapt to new customer requirements and rapidly develop new business models. Combining effectiveness and efficiency means providing specific services in the right way, conserving resources, employing the least possible effort and focusing on the essential services (Blaga et al., 2011; Bungau et al., 2011).

Leaders use various types of sheets, tables, and graphics. They allow the ordering and presentation of a set of product data, in a synthetic manner, easy to comprehend. Different types of graphics facilitate the comparative analysis, trends highlighting, thus these elements are particularly useful in decision making (Bungau & Gherghea, 2018).

Of serious matter is operating with instruments that aim to identify and classify all causes and to view results for a specific defect or problem. To be more specific, leaders use multiple techniques and tools such as brainstorming, benchmarking, Ishikawa chart diagram of the process, the compatibility matrix (Bîrsan et al., 2008; Bungau et al., 2010; Bungau et al., 2014; Bungau & Gherghea, 2018; Cioca et al., 2011; Csokmai et al., 2015; Giurgiu et al., 2009; Giurgiu et al., 2009). In fact, these are techniques used to analyze production processes by identifying five possible causes: environment, materials, workers- methods, machines.

4.3 Wisdom within the company

The corporate strategies substantiate values that are created overall from which all categories of stakeholders can benefit (customers, employees, investors, business partners, politicians and society). As an organization of the future, Continental provides the best solution for each and every market and for each and every customer. Its reliability can be seen through its role in protecting people and their health, faster progress, increased environmental protection and more opportunities to personally shape the future.

Not only the vision, but the main four areas that are promoted in the organizational climate define the agile, innovative, and interconnected thinking of the leaders (Management methods and policies, n.d.).

- Diversity management – is imperative for creative skills and alternative solution strategies.
- Inspiring leadership culture – increases performance and employees' commitment.
- Flexible working conditions – enables a balanced lifestyle of employees.
- Lifelong learning and intensive exchange of knowledge between our employees – ensures oscillation of good ideas.

4.4 Synthesizing within the company

The company's success is built up through the trust given to all employees and stakeholders. Exhibiting creating skills on a regular basis reflects a top performance of the leaders who overcome obstacles and boundaries in reaching the high level of quality (Bacali et al., 2017).

Willingness to organize and balancing the right amount of centralized and decentralized responsibility assures the initiative of team leaders. Also, cultural diversity is an important aspect of company's future sustainability. One of the management tricks is working locally, because it secures a close connectivity to customer's requirements (Babut et al., 2011).

Keeping the aim for at least eight out of ten application developments to be carried out locally in the market is a must. To reduce the dependency on the automotive economy, the company is striving to expand to similar businesses and to conglomerate association.

Setting and following new trends and standards in high-growth markets and market segments ensures the title of leading automotive supplier and industrial partner. This allows Continental to remain competitive in all phases of the product life cycles. Fresh solutions and technologies emerge only in an inspirational environment that gives people creative liberty and encourages trusting collaboration in all divisions and departments. Learning how to deal with mistakes represents is a key part of this.

5. CONSTRAINS AND SOLUTIONS

At the basic level of the company stands less governance, but more operational and administrative procedures, such as: handling and tracking of orders; ensuring product quality during storage, control of supply routes, track inventories of materials and components, establishing lots of materials and components for the next production cycle.

Junior managers from national or regional levels become successful by participating at the Leadership Entry Program and the International Management Program. The purpose of these activities is to prepare them to solve complex problems and strengthen their management skills. At a global level, leaders are equipped with additional leadership skills in the Corporate Executive Development Program. Moreover, other workshops guarantee a customized development program for new senior executives. One inducement would be presenting the model in the Automotive Forum, the most important business event of the year for the automotive industry in Romania (Sfarlog et al., 2015; Sfarlog et al., 2016).

Leaders in the automotive industry of the future should connect the development of both engineered and applying models of sustainable leadership (Badulescu et al., 2015, Lakatos et al., 2016). Being a good engineer is not enough for knowing how to manage a multinational company, but one needs to

apply a successful management strategy. On the other hand, putting the model into practice could be endangered by the increase of machine enhancement processes and digitalization process targeting the production activity.

6. CONCLUSIONS

In our view, the most important link of the production chain yet remains man, as the one who can promptly coordinate the entire process. Stimulating innovation in the management process is a necessity that leaders must take into account in exercising their leading role. The automatic management is not only a next step in the evolution of technology, but also provides added value. The relevance of Sternberg's perspective is quite obvious, especially because it displays in a synoptic manner the phenomenon of leadership.

In achieving the company's goals, performance and durability depend on the control of the logistic process: strategic decisions, growth and flexibility are directly related to flow management. As a result, the general objectives of the company - the direct support, accuracy and speed, coordination of delivery schedules, quick and flexible distribution are working together to achieve optimization of the supply production lines.

Continental continues to be a worldwide highly attractive employer. The quality of the team leaders dictates the general management quality. Therefore, various standards, procedures, instructions, formalized approaches govern the conduct of production cycle.

Through marketing the company promotes its brand. Through management, it promotes successful business leadership. Therefore, Continental seeks to have the most appropriate marketing and leadership mix. Summarizing the previous aspects, Continental company should not only be the manufacturer of leading technologies and services but also of mobile leaders of the future.

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