

HUMAN CAPITAL AND LEADERSHIP IN AN EVOLUTIONARY ORGANIZATION

Florina BRAN^a, *Raluca Iuliana GEORGESCU*^b, *Dumitru Alexandru BODISLAV*^{c*}
Cristina DIMA^d

a, b, c, d Bucharest University of Economic Studies, Romania

ABSTRACT

According to previous research, there are several leadership styles that influence corporate management. As a consequence of strong leadership, an organization's human capital grows. Through the concept of charismatic leadership and what it affords us in terms of productivity, a particular component will be examined. Leadership is an engagement between a leader and followers in which all facets of the partnership are important, especially how they interact. Leaders will be considered charismatic as long as followers continue to put their trust in them and as long as the results of their efforts are acknowledged. This research focuses on the complex interaction of factors that enable the success of charismatic leadership and implies the need of technical supervision for best results.

KEYWORDS: *evolution, leadership, management, organizational, three human capital.*

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1. INTRODUCTION

Psycho-organizational literature has recognized many types of leadership over time, with the most prevalent being: predictive leadership (focused on capturing and predicting future coordinates of the organization), strategic leadership (focused on establishing the strategy to be followed by the organization in its development), dynamic leadership (leading processes over time that ensure success or failure within the organization), and leadership by objectives (aims to guide followers toward achieving specific goals) (focused on introducing innovative changes aimed at faster development of the organization or reducing series of inappropriate excesses in achieving the objectives). Principally, the classification of forms of leadership is based on perspective, orientation, and completion of leadership; if it is future-oriented, it is referred to as predictive leadership; if it is oriented toward establishing a strategy aimed at achieving organizational goals, it is referred to as strategic leadership (Mitrita et al., 2018).

Every organization must have a leader. Leadership is all about guiding a group of individuals toward a common objective. Leadership consists of bringing out the best in one's subordinates.

This is accomplished by excellent communication of what must be done and why it is significant. Through a variety of management techniques, effective leaders will strive to bring out the best in each employee (Bogathy, 2004).

What goals should a leadership position have? This topic will be covered in the next section.

As a company leader, your primary objective is to care for and effectively operate the firm. Individually and collectively, you should persuade your colleagues to achieve success. If you are a

* Corresponding author. E-mail address: alex.bodislav@ase.ro

successful leader, you should be able to persuade your staff to contribute their best efforts to attaining the organization's common goals.

2. LEADERSHIP STANDS FOR EFFICIENT HUMAN CAPITAL

In the late 1970s and early 1980s, the literature described three ideal forms of organization (Bailasteanu & Burz, 2008), type A, type J, and type Z, with each style of organization and leadership having seven dimensions:

- This dimension has a double meaning: if employees work for many years in the organization, they will be more familiar with it and more receptive to making friends with co-workers; if new employees are expected to have a long career in the organization, they will develop personal obligations in relation to in the organization.
- The type of decision refers to the manner of participation in the decision-making process; from this perspective, the type of individual decision is observed, in which the leader makes a decision without considering the suggestions of others, and the type of collective decision, in which the leader makes a decision after consulting with others.
- The degree of responsibility of the group members is a required benefit for the reward based on the qualities of the people, whether the obligation is individual or collective and whether the workers accept or reject these two types of responsibility.
- The pace of evaluations and promotions refers to the frequency of evaluations conducted by subordinate managers and the quick advancement of their professional careers. In some organizations, the promotion process is rapid, while in others it is not; it is associated with a variety of effects, including differentiated assimilation of the culture within the organization, high or low rates of staff mobility, etc. Evaluation is frequently used in many organizations, while in others it is not; these evaluations ensure that leaders have a thorough understanding of their subordinates.
- The specifics of the control refer to the manner in which the control is implemented within the organization; if the organization uses standards, norms, rules, measures, and techniques to maintain or improve performance, the manner in which the control is implemented can be explicit (formal) or default (informal).
- Interest in employees refers to a caregiver's concern for his subordinates; in some organizations, there are leaders who believe that information about employees' personal circumstances is irrelevant to their responsibilities, whereas in other organizations, such involvement is an integral part of their role.
- Describe the professional trajectory. A career may be specialized or non-specialized in functions within an organization, with the specialized route fostering professionalization and allowing interorganizational mobility and the non-specialized path hindering interorganizational mobility.
- Northouse (2007), after evaluating the seven aspects, characterized type A (American), type J (Japanese), and type Z (Japanese-American hybrid) leadership as follows:

Type A:

- Short-term work;
- Individual choices;
- Individual accountability;
- Frequent assessments, rapid advancement;
- Explicit, formal control;
- Specialized profession;

- Segmented interest in people;
- Lifelong work;
- Consensus choices;
- Collective accountability;
- Rare assessments, delayed advancement;
- Implicit, informal control;
- Non-specialized career;
- Holistic interest in people.

Type Z:

- Long-term job;
- Individual choices;
- Individual responsibility;
- Frequent assessments, rapid advancement;
- Explicit, formal, and implicit control;
- Moderately specialized profession;
- Holistic interest.

It is observed that three of the dimensions of Japanese leadership have been adopted by the American leadership (consensual decisions, rare evaluations and promotions, holistic interest), with two dimensions (duration of employment, career characteristics) being slightly attenuated, oscillating between type A and type J. Employment is no longer short-term, but not for life. It also establishes a balance in favour of American leadership, since the profession is no longer highly specialized or somewhat specialized. Individual accountability is maintained, and the form of control is a combination of American and Japanese variations.

Type Z leadership emphasizes two concepts: Reconsidering the role of the inner characteristics of leadership, the fact that the different ways of exercising control and making decisions are responsible for the failure or success of the organization; the motivation and development over time of the national and cultural specifics of different societies shows us the possibility that if American organizations were forced by circumstances to adopt Japanese managerial practices to get back on their feet, it is possible that Japanese managerial practices would be more effective than American managerial practices.

3. PRINCIPLES AS THE BASE FOR THE EFFICIENCY OF HUMAN CAPITAL LEADERSHIP

Although principles take the shape of values, concepts, norms, and teachings, they should not be mistaken with them since they are objective and operate in accordance with natural laws, whereas values are subjective and internal. Covey uses a comparison between the two to prevent misunderstanding. He compares the values to maps, which are not the territories themselves but rather subjective efforts to depict them, and which are accurate and valuable so long as they are presented as accurately as possible to reality (Nicolescu, 1993). The closer these maps are to the actual appearance of the areas, the more valuable and accurate they will be. "However, if the territories are changing, the map will become obsolete, and in such cases, we need guiding principles, like compasses, to point us in the right route. A map based on values may give a valuable description, but a compass based on principles provides direction and vision. A detailed map is a useful tool for administration, but a compass calibrated to the principles of the true north is a tool for leadership and power. When pointed to true north, the compass needle indicates conformity with natural principles. If we concentrate on managing according to the maps, we will squander a significant number of resources aimlessly traveling or missing opportunities.

After differentiating between principles and values and highlighting the significance of principles in both personal and organizational life, Zlate (2004, 2008) employs a three-pronged strategy: outlining, defining the principles of the new form of leadership, and recommending the results of practicing leadership. based on fundamentals.

4. CONCLUSIONS OR CONSEQUENCES

Increasingly, charismatic leadership has been studied, analysed, and explained, not only in terms of returning to the old charismatic theory of leadership, but also in terms of forecasting new interpretations of empirical research and the expansion of leadership. at the organizational behaviour level. In the majority of theories, Weber's principles of charismatic leadership remain intact, but the new principles vary significantly from the old ones in at least two ways: the weight assigned to one or more of the aspects, and the degree of their operationalization. In the past, charismatic leadership theories placed the most emphasis on the leader's extraordinary talents and those with which he achieved spectacular achievements and accomplishments. However, more recently, the concept of "subordinates' attraction to the leader" has been employed. As a result, charisma is no longer regarded a characteristic of the leader, but rather a social interaction. According to the new ideas, leaders do not need to possess a variety of particular qualities; it is sufficient for them to be viewed as holding such qualities (Ghergut, 2007). The charisma of a leader seems to be a basic attribute unrelated of his or her actions and behaviour. Such a notion may sound extreme, but it has redirected research from a basic inventory of charismatic leader attributes to the observation and interpretation of leaders' activities as manifestations of charismatic qualities.

The attribution method must not result in an excessively subjective perception of charisma. Leadership is a relationship between a leader and subordinates in which all aspects of the relationship matter, particularly their interaction (Duse, 2006). As long as subordinates continue to pass down their faith in leaders, and if the leaders' outcomes are recognized, that leader will be viewed as charismatic. The most recent research focuses on the complex interaction of factors that ensure the success of charismatic leadership, as opposed to changing the proportions of certain charismatic leadership components. One of the most influential psychologists supporting the interaction of charismatic leadership components is Dubrin (1995), whose theory applied to organizational environments combines personal traits with leader behaviour and situational factors.

The charismatic leadership consists of four personal characteristics of the leader (dominance, self-confidence, the need to influence, and beliefs about the integrity of one's own system of ideas and values) and several components of the leader that aim to create positive perceptions. of subordinates (exposing goals to subordinates, communicating high expectations, and expressing confidence in subordinates' abilities to meet expectations). House contends that tense, uncertain, or crisis conditions enhance the likelihood of assigning charisma (Stog & Caluschi, 2002). House lists the following as effects of charismatic leadership: increasing employees' confidence in the correctness of the leader's ideas, accepting his requirements, identifying with him, obedience, personal-emotional involvement in achieving goals, and increasing employees' sense that they possess the skills necessary to achieve goals.

Never before has leadership development been more crucial. Companies of all types recognize that in order to thrive in today's turbulent, unpredictable, complicated, and ambiguous environment, they require leadership qualities and organizational competencies that are distinct from those that led to their prior success (Petrovici, 1999). Additionally, there is a growing consensus that leadership development should not be limited to those in or near to the C-suite. With the growth of collaborative problem-solving platforms and digital "adhocracies" that encourage individual initiative, it is increasingly required of all workers to make decisions that are in line with the business strategy and culture (Tabachiu & Moraru, 1997). Therefore, it is essential that they possess the appropriate technical, relational, and communication abilities.

There are three primary causes for the fragmented nature of leadership development. The first is a disparity in motives. Organizations engage in executive development for their own long-term benefit, but individuals enrol to improve their abilities and progress their careers; they may or may not remain with the businesses that paid for their training. The second issue is the disparity between the talents that executive development programs cultivate and those that businesses demand, namely the interpersonal skills that are required for success in today's flat, networked, and increasingly collaborative workplaces. Traditional providers have extensive knowledge in teaching cognitive skills and assessing their growth, but they have far less experience teaching individuals how to communicate and collaborate successfully. The third factor is the lack of transferable abilities (Moldoveanu & Narayandas, 2019). Simply put, few executives appear to adapt what they learn in the classroom to their professions, and this gap widens the more the location of learning is from the location of application. Organizations must overcome these three gaps to cultivate important leadership and management skills. These are elements that can be discussed in future research or in an extensive approach on this subject.

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