
LEADERSHIP FUNCTIONS, MANAGEMENT AND AUTHORITY WITHIN THE ORGANIZATION

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Abstract: Leadership is part of the activity in organizations and has its own place and significance for their functioning. It is well-known that leadership is a dynamic phenomenon and a leader's authority may vary depending on the circumstances. Leaders can be replaced, they can compete, be allocated, be supported, etc. But while they are leaders, they are responsible for organizing the group's activity.

There are both similarities and differences between leadership, management and authority.

The aim of this paper is to present some of the functions and characteristics of the leader, which are of paramount significance for the activity in organizations; at the same time, the paper aims at drawing the reader's attention to some specific features of management and authority. Every time leadership, or anything related to leadership, is the subject of discussion, the concept of authority springs to mind. Authority is inseparable from leadership and the processes related to it.

At the beginning, emphasis is placed on leadership as an indispensable necessity at all levels of the hierarchical structure of the organization. This is a significant condition for the successful functioning within the teams where there are three main aspects: individual, task and the needs of the team. A good leader shall secure an overlap among these three elements and create conditions for their functioning which result from synergy. Next, the paper shifts to the organization's management and the leaders' styles of management – authoritarian, democratic, bureaucratic, charismatic, liberal, oriented towards people, oriented towards tasks, employee's style, transformational style, etc. Furthermore, the authors elaborate on some definitions of authority which are more closely related to leadership skills, and mostly to the functions performed by the leader.

Keywords: leadership, functions, management, authority.

1. INTRODUCTION

This paper focuses on the leader's functions, his/her knowledge and skills related to the activities in organizations. Despite the limitations for the volume of this paper, we have paid attention to various leadership styles and the authority that the leader exercises for the functioning of organizations.

2. ESSENCE AND CHARACTERISTICS OF THE LEADER'S FUNCTIONS

Leadership is inseparable from management. We often ask the question: Is a good manager, by definition, a good leader and vice versa. Experience shows that the difference between leadership and management is in the fact that managers start to perform certain activities, whereas leaders create conditions for employees to ask to perform such activities. Managers fight difficulties, whereas leaders overcome changes. Managers overcome problems, whereas leaders lead to change. Managers direct their energy towards control; leaders motivate and inspire employees and develop a feeling of self-control.

According to some scholars, there are four popular myths about leadership (Goffee & Jones, 2003, p. 64):

✓ Anyone can be a leader – that is not exactly correct. There are a lot of managers who do not possess adequate skills, capabilities for and knowledge about their own values in order to be leaders;

✓ Management brings business results – no always. If a manager is related to the results of the business, he/she will not have difficulties in identifying, i.e., the identification of a leader. However, such a situation is not always so simple. The objectives and the success of the organization can often reach the highest level by applying managerial techniques, whereas successful leaders do not always yield positive results in the short run;

✓ Those who reach the top are always leaders – not always. It is wrongly assumed that senior managers are leaders. Experience shows that such positions are mostly gained as a result of political or other such influences. On the other hand, leaders may belong to lower hierarchical levels in the organization, but it is significant to note that they still have their followers;

✓ Leaders are successful mentors – rarely. Leaders inspire their followers. They encourage a sense of security, courage and an increase of their strength and energy. Few leaders are trainers, i.e., mentors.

As regards leadership and the bad practice when the wrong choice of a leader is often made, Maslow (Бранислава Вукич, 2004, p. 188) points out: “Man who aspires to gain authority, because of the authority, is most probably a man to whom authority must not belong. Such people tend to use authority in the worst possible way: to overcome, to increase and to use it in order to satisfy their own selfishness.” In their research, Mileham and Spies (Петковски, 2000, p. 56) reach the following concluding observations: “If management is science, leadership is art. If objectivity prevails in management, subjectivity prevails in the management board. If the management board is governed by the brain, leadership is carried out through the heart. If the management board wants to develop efficiency, leadership strives towards efficiency. The management board sees the present, leadership aspires towards the future. The management board respects order, leadership – the change and insecurity as a challenge. The management board prefers security, leadership admires risk. The management board is based on planning, leadership is governed by guidance.” As an update to this dilemma, we shall also think about whether initiative is a skill which can be learnt from someone else. The answer to this dilemma certainly points out that this skill is developed and acquired only through one’s own experience, which shall be based on principles, ideas and ideals. Sometimes what is required is differentiation and acceptance of certain general characteristics and differences between the management board and management. This means that no time shall be “wasted” to impose the term leadership over management. The grand objective is to achieve the expected results. There are a lot of definitions of leadership which deserve special attention (Лончаревич, 2007, p. 307):

- Leadership is a process of making decisions on how we shall treat those when tasks are set, so that they are motivated to achieve a result from the choices that are made in action;
- The role is the ability to mobilize others who want to “fight” for the achievement of common efforts (objectives);
- Leadership is a process of influence on the interpretation of events by associates, the choice of objectives or organization, setting up activities in order to achieve the objectives, maintaining cooperative relationships and team work, as well as securing support and cooperation by people who are outside the group or the organization;
- Leadership is a process in which the individual influences the group members for the achievement of the common objectives.

Leadership is an indispensable necessity at all levels in the organization’s hierarchy. This is a necessity which is an element for the successful functioning of the teams where there are three major pillars: individual, tasks and the needs of the team. A good leader shall secure an overlap among these three elements and create conditions for their functioning which result from synergy. If the three elements are in the conditions of their fragmentation, then there is a problem which results from the very leader. The created environment, in which synergy is a state of the team which springs directly from leadership skills and capabilities, secures conditions for the achievement of preset objectives, in which the members are ultimately motivated and accept the team as their own. Leadership springs from the existence of four types of authorities in the leader’s personality (Adair, 2007, p. 11):

- ✓ Authority of position and rank – it is usually found in managers who, using their power, give orders such as: ‘You must do it, because I say so!’;
- ✓ Authority of knowledge – springs from the manager’s professional skills and knowledge of the whole work process. Most often this organ creates conditions for respect and security with employees in the organization, i.e., the followers of the team;
- ✓ Authority of the individual – springs from the charisma of the very leader. He/She is an individual of high quality and encourages people to follow him/her. The key dimension of charismatic leadership refers to the relationships between the leader and his/her followers;
- ✓ Moral authority – springs from the leader’s own example and behavior, whereas the others are required to make a certain sacrifice.

In analyzing all those types of authorities, we can correctly conclude that a good leader shall possess all four types (the fragmented existence of only some of them is characteristic of managers, not of leaders). If a leader does not possess moral authority, he/she does not have the legal right to ask his/her followers to make certain “sacrifices”. If the sacrifice will make the other team members do it, this will result in frustration, injustice and exploitation in each one of them. These are feelings which make it impossible for the team to work in a constructive and pleasant atmosphere. The leader shall have a well-developed authority of knowledge. A situation in which the team members are not in unison creates a feeling of fear and insecurity, whereas the work atmosphere is characterized by anarchy and chaos.

3. LEADERSHIP, LEADERSHIP STYLES AND AUTHORITY

Before paying attention to the major leadership styles, we shall first dwell upon the essence of management. Management, according to M. Armstrong (Армстронг, 1993, p. 97) is making things happen through the people – when a certain objective is to be achieved or a problem to be solved, and when more than one person is necessary to do it. Management is necessary when someone shall show the way and make achieving the objectives possible.

Other authors (Каменов, 2013, p. 35) pay attention to the very function of management and in this respect point out that managerial activity, as an expression of the functioning of every managerial organ within the management structure, has its place both in determining the mission and developing the long-term, mid-term and short-term objectives. In this respect it is realized at all levels of the management hierarchy and is related to all functions involved in the managerial cycle, as well as outside it – coordination, activation, stimulation, etc.

Leadership and management are often interpreted synonymously, discussing the process of influence and support by the manager. This process aims at achieving the set objectives inspiring the actions of other people. Management is a process that involves influence, support, providing voluntary participation and achievement of the objectives in the organization. Certain managerial methods are very “painful”, for instance, managerial firmness, necessary for punishment or even firing an employee, but these methods are directed towards identifying, integrating and enriching the capacity of the organization and developing the capacity of the personnel. The stability of the leadership style is relative, since the style is usually characterized by dynamics that varies depending on the specific aspects of the situation. Certain specialists in the field of psychology claim that this is a dynamic combination of techniques that guarantee the efficiency of managing the organization.

The formation of a leadership style is influenced by various factors: individual traits and competence of the manager; the specific features of the organization, its objectives and tasks, structure, content of activities, surrounding environment; characteristics of the personnel: its structure and competences, the nature of the formal and informal relationships, traditions and values. (Теоретическая и прикладная психология, 2017)

Managerial activity is heavily influenced by the personal methods of work of the manager. The more he/she is devoted to his/her actual managerial tasks, the better he can manage others. These tasks are related to the management of all factors (personnel, main assets, etc.). In this line of thoughts, we shall point out that there is no better method of management valid for all cases. In one and the same group (division, department, etc.) a manager will achieve a positive result using one set of methods, whereas another manager – a different one; the same manager will manage efficiently one group with one set of methods, while another group – with another set of methods; finally, in one and the same group, each associate shall be approached individually. (Захариев, 2001, p. 384)

There are numerous notions related to management styles and their classification. A management style is a totality of knowledge and skills, practical experience and a number of other factors that influence the manager’s behavior. According to some authors (Дорофеев, Шмелева, & Частухина, 2004, p. 60), when we talk about the preferred managerial style, we shall talk about those characteristics that directly influence the manager’s subordinates. The different styles, distinguished by motivation, force, orientation towards achieving people’s objectives, are usually combined with other styles or vary depending on the situation.

In this respect, we can point out the characteristic of styles based on experiments at the Universities in the states of Ohio and Michigan (USA). (Марков, 2014, pp. 52-56)

➤ **authoritarian style** – the leaders exercising this style have absolute authority, which means that their subordinates have little opportunity to take part in decision making or to make proposals, even if they are in the interest of achieving the objectives of the organization. In the countries with developed democracy, most people rebel against such style, which often leads to absences from work and high personnel turnover. In such countries, it is accepted that such leadership style is efficient when routine and unqualified activities are carried out, as the advantage of the control exercised by the leader exceeds the disadvantages of exercising this style;

➤ **bureaucratic style** – leaders that exercise this style are characterized by behavior which follows exactly the described rules and defined regulations. This means that they require from their subordinates to follow them strictly. It is accepted that this style is appropriate for activities involving high risk such as work in specific productions, work with hazardous materials, work at dangerous height or work in the banking system;

➤ **charismatic style** – leaders that adopt this style show a lot of enthusiasm and thus motivate people to develop. This style is characterized by the fact that in many cases such leaders believe more in themselves than in their teams which might result in the collapse of the well-organized structure if the leader possibly leaves. This will happen because in the followers’ eyes the structure and organization is identified with the leader’s personality;

➤ **democratic style** – the leader gives a chance to the other members of the team to participate in decision making. In this style team members become self-confident that they can control the functioning of the organization

all by themselves; thus, they are motivated to work harder for its future – not only for their remuneration. This approach takes more time as it has already been related to training the subordinates for their participation in making decisions, but usually the end result is positive. This type of leadership style shows higher efficiency when the performance of certain activities requires team style or when the speed for performing a certain activity or the productivity are less important than the quality of the product;

➤ **liberal style** – leaders who exercise this style give full freedom to the team members so that they can work in a way that they consider to be efficient. This style can be efficient only if the leader follows the results achieved by every team member and maintains constant feedback with them. Usually, this leadership style is appropriate for groups whose members are highly-qualified, highly experienced and when each one of them performs the tasks with a high degree of autonomy;

➤ **oriented towards people style** – leaders who have adopted this style are entirely directed towards the development of their organization or group, the support of the people and organizing them in a team. This is one of the styles that is most popular among leaders;

➤ **oriented towards tasks style** – it is opposite to the style oriented towards people as its essence is to give priority only to tasks. This respectively means that the leaders of this type can be overly authoritarian, but in this case, they are highly active in the planning, organization, delegation of activities and roles to the group members for the achievement of the objectives and keep track of the achieved results. They do not think too much about the people, which means that when exercising this style, the leader can have difficulties in motivating his/her subordinates and keeping them at work in their organization;

➤ **employee's style** – a manager who exercises this type of style, in practice, is often not acknowledged as a leader by his/her subordinates. Such a style can be observed when a member of a particular organization at a particular level satisfies the needs of the rest of the employees at that level. By behavior, this style resembles the style of the democratic leader because everyone participates in making the decisions. This style has its supporters among those who believe that in this contemporary world the orientation towards values remains in the background, while authority is achieved on the basis of the belief in those values;

➤ **transaction style** – the main characteristic of the managers of this type is that their followers vow to obey them right from their appointment as such. This is based on the remuneration for the performed activity. The idea is that the manager has the right to sanction the group members if their activity does not meet the preset criteria. The group members themselves can do little to improve their job satisfaction, whereas the leader is the one who allocates bonuses for well-done job, which means the subordinates can timely control their incomes avoiding the sanctions and punishments bestowed by the leader. This style is efficient when short-term problems are solved. With tasks that require creativity, it is not efficient;

➤ **transformation style** – this manager inspires his/her subordinates by developing a vision of the future. His/Her enthusiasm is transferred to the team whose members are responsible for the initiative. This makes this style efficient for groups and organizations which value the creative beginning.

Being a good leader means being able to use the advantages of the various managerial styles and to shift to them depending on those who are managed, the nature of the tasks which are to be performed, and the environment where the activity is carried out. Using a different style depending on the situation is a flexible type of management.

Every time we talk about leadership or anything related to leadership, we come to the concept of authority which is inseparable from leadership and the processes related to it.

It is difficult to define the term authority bearing in mind, on the one hand, the interference of authority in all spheres, and, on the other hand, the desire of a large number of scholars to provide a definition of: What is authority? Nevertheless, we will elaborate on those of them that are more closely related to leadership skills. For instance, according to John Galbraith, regardless of the type of authority, it provides an opportunity to impose an individual's own will, objectives or others' objectives, including those who do not agree or are hostile. (Гълбрайт, 1993, p. 9)

Another author (Dahl, 1957) points out that owing to authority, it is possible to make someone do something which he/she will not agree to do in any other way. In this respect, other scholars (Bizzell, 1991, p. 56) claim that owing to authority and regardless of the similar interests in the organization, the person in authority uses the rest for his/her own profit, but they cannot oppose. Authority is an opportunity to influence the other's behavior.

It is claimed that if a manager possesses leadership skills, then he/she holds in his/her hands all the authority and he/she will own the methods for influencing people. In such cases management is successful. No real absolute authority exists because no one can influence all people in all situations. In organizations, authority is based mainly on support and obedience. (Цыренова, 2006, p. 94 and next)

In order for management to be efficient, it is necessary to maintain balance, on the one hand, between the manager's authority and the dependence of the subordinates on the manager, and on the other hand, between the authority of the subordinates over the manager and the dependence of the manager on the subordinates.

Various publications talk about a number of forms and sources of authority which give the leader an opportunity to overcome various situations and influence the others' behavior. Generally, we can present the following forms. (Цыренова, 2006, pp. 95-97)

➤ **Expert authority** – it is related to the manager's capacity to influence the behavior of the subordinates based on the strength of his/her professional expertise, education, experience, talent, etc. Expert authority is not related to a particular position, such authority can be exercised by an ordinary worker or an employee in the organization, but preferably, it shall be possessed by the manager, as well. Such authority brings obedience.

➤ **Forced authority** – this authority is characterized by earning obedience through the ability to impose a different, opposite to the individual's or the group's choice. This means imposing or threatening with the corresponding unfavorable consequences. Such forms of negative stimulation are: sanctions affecting the material and economic interest of the personnel; demoting; transferring to another unit or department; disciplinary dismissal, etc. (Каменов, 2013) All this restricts initiative, creativity and increases dissatisfaction and turnover of personnel.

➤ **Compensatory authority (based on remuneration)** – depending on the expected level of compensations received by the manager as gratitude, bonuses, promotion, possibility to select a team, etc., subordinates make the necessary efforts to complete the task. (Цыренова, 2006, p. 96) The leader shall manage to determine what is precious for every subordinate individually. The art of being a leader is expressed in the ability to find the boundary at which the subordinates will complete their tasks, they will not “bargain” and set conditions for additional compensation for their labor. The leader shall make them trust him/her that in one way or another they will be compensated depending on the particular situation or the organization's capacity.

➤ **Authority based on personal example and charisma** (Цыренова, 2006, p. 96) – this is authority that is related to the personal traits and abilities of the leader, as well as his/her charm and appeal, bearing in mind that the leader's influence happens at a subconscious level. Charismatic individuals are the object of imitation which others are identified with; they can lead a great mass of people. When the leader becomes the object of imitation on the basis of his/her charisma, his/her authority, in practice, is unlimited.

In conclusion, we can say that one of the well-functioning instruments related to the leader's function and leadership skills is **conviction**. This is influence and management through conviction. Conviction is related to the fact that the conscious of the subordinates shall be reached. For this purpose, the leader shall suggest that in performing the tasks as required by the manager, he/she (the employee) satisfies his/her own needs.

There are recommendations for the use of authority through conviction:

- ✓ the leader shall try hard to exactly determine the needs of the subordinate and direct his/her efforts towards those needs;
- ✓ the leader shall start a talk with this idea which will draw the attention of the listener;
- ✓ the leader shall try hard to create an image which will make him/her feel secure;
- ✓ the leader shall require a little more than necessary, because he/she may have to retreat, but he/she shall never ask for too much;
- ✓ for the purposes of conviction, the leader shall speak about the listener's interests, not about his/her own;
- ✓ bearing in mind that several points of view are expressed, the leader shall try to speak last. The practice shows that the words of the last speaker have the greatest influence on the audience.

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