

RETHINKING INTERPRETATIVE PATTERNS OF LEADERS: ALBANIAN LEADERSHIP BETWEEN MYTH AND REALITY

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Abstract

The actual world crisis is not a financial crisis (as the majority of people believe) but a decision making crisis. Decision making is guided by values and the interrogative point is about the values of actual "leaders".

This article has the objective to clarify some leadership aspects that must be putted into discussion. One of these aspects is that effective leadership does not suffer in relation to techniques but on the subject of categorical values. Another one is that leadership often bases on image rather than on responsibility and work. A further topic is the rethinking of the dichotomist vision management-leadership, as the classical literature of management has defined.

We know very well that leaders are influent on the context with which interact and considering this we have defined them as relevant suprasystems.

All this issues are contextualized in Albanian environment explaining the colors of Albanian leadership between myth and reality.

This contribution evidences leadership old and new interpretative patterns aiming an improvement not only to the education system but also to the practice of management. Furthermore, is not bounded only in Albanian leadership thesis, but can contribute in multicultural organizations as well.

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Leadership: can we define it?

In his movie (documentary) called "*Passion and Discipline: Don Quixote's Lessons for Leadership*", presented by Graduate School of Business of Stanford University, James March said that "Quixote reminds us that if we trust only when trust is warranted, love only when love is returned, learn only when learning is valuable, we abandon an essential feature of our humanness".³³ But why Don Quixote? What lessons can we learn from the fictional 16th-century gentleman who careered around the Spanish countryside tilting at windmills and challenging sheep to battle? Indeed, as March says in the film: "We live in a world that emphasizes realistic expectations and clear successes. Quixote had neither. But through failure after failure, he persists in his vision and his commitment. He persists because he knows who he is."

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³³ March, J. and Schecter, S. (2003); *Passion and Discipline: Don Quixote's Lessons for Leadership*, Schecter Films & Stanford Graduate School of Business.

Quixote lived his life with passion and discipline, March says, much as a flamenco dancer performs with seeming abandon, yet acts within the strictures of the art. Leaders can learn from Quixote, whose life was dedicated to imagination, commitment, and joy. “The critical concerns of leadership are not technical questions of management or power, they are fundamental issues of life,” March says.

It is clear that James March speaks about a system of values (categorical values). As we can appreciate, leadership is deeply connected with responsibility, passion, discipline, honest, trust, love, knowledge, creativity, etc. All these are *values* that influence the decision making of leaders and their prospective. But how a leader can decide if he doesn't know himself? And how can decide if he doesn't know the mission? Identity and mission are the essence of leadership and furthermore are not based on exhibition (in terms of image) but on responsibility and work (in terms of substance).

Regarding the Albanian leadership, unfortunately it is deeply based on image. Let's take some examples. The last years, the most profitable business in Albania was the construction. If somebody takes a look to the Albanian capital, Tirana, it will remain amazed by the beautiful buildings. But if we take a deepened look, we will be aware that all that buildings has no sense from the infrastructure standpoint. Not only, but if we live inside them we will understand that electrical and water installations and the general structure criteria are so terrible. The answer is the absence of responsibility roofed by the image.

The same occurs in education system. There is a tendency to obtain more titles you can (bachelor, master, PhD, etc), even though the student's future unemployment is near and certain.

We can say the same in the social life, where people are influenced too much by the hierarchy. Who is dressed with well-known brands, has a beautiful car, is director of a bank and so on, for the majority of Albanian people is the person to be followed (even though that person counts for nothing, has no family and makes an irregular life). Quo vadis Albanians? Are you observing/following the person's attributes (values) or simply the image?

And there is no difference in politics, like there isn't in public administration.

What about Albanian business organizations? An organization is a system immersed in a specific context with which interact and exchange information, money, raw materials and so on. Thus the organization is an open system and as all open systems is influenced by the interpretative patterns of the context with which interact. The problem is the mentality, not the business organization. The mentality (mental patterns) affects all type of viable systems, be them individuals, business organizations, non-profit organizations, political institutions, etc. The real problem is that mentality focuses on image and the image is something speculative. This critic goes not only to Albanian businesses, but also to the international business organizations where the advertising activities of marketing are more illusion than promotion (in a noble sense). The customers need quality, not image. The *quality* needs *responsibility* and the responsibility needs *leadership*. This is one of the essential

reasons why organizations fail. Hence the leadership dream can be transformed into reality through quality and responsibility. Leadership cannot be imposed by “leaders” but assessed and legitimated by the stakeholders (viable sub and suprasystems).

In substance, values and patterns affect leadership style.

Now, giving a definition of leadership is a great and a failed initiative; the best example (definition) of leadership is leadership by example, Jerry McClain said. We cannot understand leadership by definition but only by life postulates.

The first is that leadership is responsibility, is based seriously on values and work rather than on image. The second is that leadership, the same as management, is not focused (only) on businesses, but in everyday life issues and in every type of organizations, in other terms not only on business organizations. The last one, from our point of view, is that leadership arises from *categorical values* (coherence, duty, ambitions, trust, loyalty, etc) rather than from techniques; techniques are necessary and restricted to problem solving, instead values are fundamental for decision making which is a topic strongly related to leaders. Problem solving is used in contexts where the problem that arises is analog with another problem encountered and solved before. It means that we have already the interpretative pattern (the formula) or the solution. What distinguishes a good leader from a bad one is the decision made. But in a complex dynamic environment is not so easy to make decisions through techniques or predefined patterns. Techniques are not sufficient in a complex dynamic context; there is need for intuition and after that for strategic decisions to affront the complexity (variety + variability + indeterminacy)

Dynamism involves leaders in new situations when old patterns are not winning. Leaders have to invent and to use first of all the intuition, sniffing the change and the weakened signals of the context; this is decision making under complexity and uncertainty. Nowadays complexity and uncertainty are the norm of the situations. As we understood, decision making bases prevalently on the values of who is going to make the decision and leaders are involved. For instance, the actual world crisis is not a financial crisis (as the majority of people believe) but a decision making crisis. Decision making is guided by values and the interrogative point is about the values of actual “leaders”.

Leadership versus Management

The title of this paragraph is so polemic and the polemics ascend because of the word “versus”. The first interrogative point is about the existence of the versus position of leadership in front of management. Before explaining it lets take a look to the modern literature about the dichotomy management-leadership.

In one of his articles³⁴ Warren Bennis wrote that management and leadership are distinguished, in other terms they need a dichotomist interpretation. According to Bennis, some of the manager’s characteristics are: the manager behaves like an

³⁴ Bennis, W. (1991); “Managing the Dream: Leadership in the 21st Century”. *The Antioch Review*, 49(1), 22-28.

administrator, is imitator, constant, concentrated on the organizational structure, focuses on control, has a short term vision, asks “how” and “when”, is based more in efficiency rather than effectiveness; at the other hand, some leader attributes are: the leader is innovator, original, creator and developer, is based on people, inspires trust, has a long term perspective, asks “what” and “why”, do the right things (effectiveness).

We know also from the consolidated literature that the management functions are planning, organizing, coordinating, leadership and control. Accordingly, leadership is one of the management functions. If management is a system, leadership is a component of this system or a subsystem. Hence leadership is included by management. Perhaps to understand this logic we must refer to the theory of logical types or system of types³⁵. Simply we have to know which is the class of elements and which are elements included. If management is a class of elements (in this case the elements are the functions of management), leadership will be one of the class elements.

Which is the limit of the traditional viewpoint? The traditional perspective has created, developed and transferred a scheme that excludes managers from leadership. If we treat management and leadership as a dichotomy, we obligate managers to perceive themselves as distinguished from leadership. They will think that leadership is something that doesn't belong to them, and leaders are different persons from managers. Hence, we create tow brands: management and leadership.

Does this dichotomy is productive? Naturally not, because in this case managers will focus on the organizational routines and techniques, and the decisions will have commonly the frame of *problem solving* decision types rather than *decision making* decision types. If managers take into consideration only the patterns that they already have, without creating others, in front of new situations, they will earn a certain failure. Not all the problems are analog with the problems of the past. In this case we cannot use a predefined formula, but we have to invent a new one. The classical literature classifies the manager as a person who maintains a certain status-quo. This is not the meaning of stability or identity under uncertainty, but the inability to innovate. Nowadays, considering the complexity degrees of the environment, innovation is not an optional but a requisite. And creating a new scheme is typically a decision making act, like as applying a “formula” that we already have to a problem that we have encountered before is typically a problem solving act. Complexity pushes leaders to make decisions; certainty pushes leaders to solve problems. Hence managers will be able to be decision makers and problem solvers, living in a range that expands from complexity to certainty. This is the managerial leadership.

Concluding this paragraph, leadership is one of the management functions. If a manager is not accomplishing appropriately this function, it means that he is not doing effectively and efficiently his task.

³⁵ Whitehead, A.N and Russell, B. (1910); *Principia Mathematica*, vol. 1, Cambridge University Press.

The leader as a relevant suprasystem

For a business organization exists different customers, like suppliers, logistics providers, consumers, etc. An important category of customers that sometimes businesses forget is that of opinion leaders. The opinion leader has the power of influencing other people. Examples are the pharmacists. When you have a stomach sting, you go to the pharmacy and ask which is the most appropriate medicinal for your problem. The pharmacist recommends you the medicine where has the biggest gain and you don't argue over his opinion, except some cases in which the customer has not informative asymmetry. However, in this case the pharmacist is influent. But if you have a stomach hemorrhage you need an urgent surgical intervention. In this case you cannot negotiate about the intervention because there is no time to spend. For this reason the surgeon, differently from the pharmacist, is more than influent; hi is critical and the criticality derives from the necessity to survive.

From the examples above we understand when a viable system (pharmacist, surgeon, organization, individual in general) is influent and when is critical.

Influence and criticality are the two dimensions of *relevance*. In other terms, relevance is a latent variable which cannot be observed directly and which can be measured through critical bearing and influence variables. Relevance is an attribute of viable systems.

A viable system is a system that survives, remains united and is complete; it is homeostatically balanced both internally and externally and furthermore has mechanisms allowing it to *grow* and *learn*, *develop* and *adapt*, and thus become increasingly more effective in its environment.³⁶ Viable systems are open systems³⁷ (partially opened) and contextualized, because to grow, learn develop and adapt, they need to be open toward a specific context, with which exchange energy, row material, information, money, etc, interacting with *subsystems* and *suprasystems*.

A suprasystem is a system projecting its own expectations on another system, which thus become a subsystem. A subsystem is a system which, in order to adequately remunerate the resources used by the suprasystem, feels the need to generate and maintain high levels of consonance and resonance with the context.³⁸ Regarding the relation suprasystem-subsystem we can say that the first stands at a superior level (is an L+1 system) and the second stands at an inferior level (is an L-1 system). An example is the human resources that stand as a subsystem of the organization. The organization itself is contemporaneously a suprasystem of human resources and a subsystem of the society as a whole. Viable systems enjoy the recursive property; at the same time one system include and is included by other systems.

³⁶ Beer, S. (1981); *Brain of the firm*. 2nd ed. New York: John Wiley & Sons;

Beer, S. (1985); *Diagnosing the system for organization*, John Wiley, New York, N.Y.

³⁷ von Bertalanffy, L. (1968); *General systems theory. Foundations, Development, Applications*, George Braziller Inc, New York.

³⁸ Golinelli, G.M. (2010); *Viable Systems Approach: Governing business dynamics*. CEDAM, Padova.

What about a leader as a suprasystem? A leader is a person who has some features by which exercises relevance. The relevance dimension of leadership is not objective. The leadership relevance is determined by the individuals that follows the leader. The followers (in sense of people led) are qualified as subsystems of the system-leader (in this case as a suprasystem). If we reflect deeply, the relevance of leader depends also on the relevance of the people that is guiding. Sometimes leaders are preoccupied about the increased relevance of the people they guide because they fear a possible substitution. This happened in Albania with the dictator Enver Hoxha that eliminated one by one a part of persons around him. This succeeded because the dictator was afraid of the increased relevance of his “partners” (ministers and others).

The general media of actual leaders don't like an homeostatic relevance. They want a superior relevance. For instance, in Albanian organizations leaders want the spotlights only on themselves. It doesn't matter which are the people that surround the leader. Important for Albanian leaders is that people (followers) are sheep and ignorant. In this situation they can drive better.

Anyway people will not be drive but guide and the spotlights should be on them; leaders must stay at the backstage doing their work without thinking about the personal image.

These mental models affect all types of organizations. We said before that leadership isn't only business leadership. However, in Albanian businesses leaders are authoritarian and the delegation of various functions is an exceptional situation.

But a successful leader knows well that he/she is a *zoon politikon*. When Aristotle called man a political animal, he did not have parties and elections in mind. Man is a *zoon politikon* in the sense that the polis, the “city-state”, is the natural culmination of man's nature; it is his end, as far as social organization goes. Not that all men live in cities. First comes the family, which arises out of biological necessity; next the tribal village in which man may more easily obtain the necessities of life than in the family alone. The city may come into being thereafter, so that man may pursue, in leisure, his highest nature. As Aristotle says in at the beginning of his *Politics* “every city is a kind of association, and every association is joined together for the sake of some good.” And further, one good on account of which cities are established is justice — “for rules of justice are the organizing principle of political (i.e., city-based) association.”

In other terms leaders, as all human beings, are “islands” and cannot survive without the presence of the others. Every leader is a “minus” and his being can be recompensed with the “plus” of the context with which interact. This is what Maslow intends to explain in his hierarchy of human needs³⁹. The concept of *zoon politikon* is more evident from the third scale of Maslow's pyramid, the social needs. Leaders to accomplish their mission must interact/socialize with other systems. During the socialization process they need to be esteemed by their followers aiming, finally, the self-actualization.

³⁹ Maslow, A. (1954); *Motivation and Personality*, Harper & Row Publishers Inc.

Concluding this paragraph, it's right that leaders must be relevant suprasystems, but it is also right that relevance couldn't be a derivate of exhibition/image, but of work, good examples, responsibility and values. And a good leader should not be afraid by the increased relevance of his followers. If the relevance of the followers increase, it is due the leader's lessons and the values transferred. It means that the follower have been good apprentices. This would be the leadership scope: the continuous improvement (Japanese call *kaizen*) of business (and not only) contributes through the continuous improvement of his followers. There is no doubt that the followers' kaizen can be achieved through serious training/coaching from leaders.

A synthesis of leadership style in Albania

Now we are going to talk about the Albanian organizations in terms of leadership and leaders. In his "*The Human Side of Enterprise*"⁴⁰, Douglas McGregor (1960) affirmed that leaders must choose between two, and only between two ways of human resources management – "theory X" (authoritarian, repressive style, tight control, no development, depressed culture) and "theory Y" (liberating and developmental; control, achievement and continuous improvement achieved by empowering and responsibility) – concluding that only "theory Y" is that right. But in his "*Eupsychian Management*"⁴¹, some years later, Abraham Maslow (1962) demonstrated that McGregor was wrong, and that different types of persons must be leaded in different styles.

In Albania, what is more evident is that the leadership style is nearby of the McGregor's "theory X". The majority of managers in our country believe that workers generally not only welcome the control, but they need it. Considering the manager opinions, workers preferred to avoid the work. They achieve goals only under pressure. Is evident the leadership style based on centralization and accented hierarchy.

Leadership styles are often created from the influence of organizational factors like the nature of work, organizational values and national culture. In Albanian reality organizational values aren't known by all organizational memberships, especially by leaders. This happens because the majority of Albanian organizations don't have a specific defined mission. It is a task of leaders to define the mission and the last one influences the organizational culture, the leadership style, the communication and the organizational behavior.

Organizations are cultural phenomenon and the internal side of them can be viewed as an activation of a shared reality.⁴² Creating a shared reality means consonance (interpersonal harmony). The same concept is underlined by Tom Peters and Robert Waterman (1982) in their famous book "*In Search of Excellence*"⁴³. They

⁴⁰ McGregor, D. (1960); *The Human Side of Enterprise*, McGraw-Hill, New York.

⁴¹ Maslow, A. (1965), *Eupsychian Management: A Journal*, Irwin-Dorsey, Homewood, III.

⁴² Morgan, G. (1997), *Images of Organization*, 2nd ed., Sage Publications Inc, California.

⁴³ Peters, T.J. and Waterman, R.H. (1982); *In Search of Excellence*, Harper & Row, New York.

put into evidence that successful organizations know how to develop a cohesive culture based in a series of shared norms, values and concepts able to define in an appropriate manner the business strategy.

Another important aspect is the motivation of workers which is really low. Managers do not involve subordinates in autonomous decisions and responsibility. To do this, the *forma mentis* must change from individualistic to collaborative. The problem is that Albanians doesn't know to play in team; ours is an individualistic society. There is an explanation: the collaboration between individuals starts when physiological needs and safety needs are satisfied. Positioning the Maslow's pyramid at the macroeconomic level we understand that Albanians are still researching the satisfaction of physiological needs and safety one. In this situation people become more individualistic and materialistic because they fight for the survivor. The problem of the autocratic leadership style is not a problem of organizations, but a problem of Albanian mentality as a whole. Things and managerial style in formal organizations, profit or non-profit, private or public, will change where people will behave differently starting from informal organizations. To behave differently individuals must think differently. Changes will start from individual's thoughts, communications and their behaviors with family and friends.

In other terms, Albanians need a change called change of type 2 (change-2)⁴⁴. The difference between a change-1 and change-2 is that in the first case the change is verified internally of a considered system that remains immutable, while in the change-2, when occurs, changes the system itself. For example when a supplier-X changes frequently the price of the raw materials and the producer negotiates frequently with him to maintain the equilibrium, it means that the producer is applying a change-1 because the activated system (supplier-producer) remains immutable. The system itself will change when the producer will decide to substitute the supplier-X with another supplier (for instance, the supplier-Y); at this moment we will have a change-2.

The actual Albanian leadership style is a succession of old mentality and a common result of the actual status-quo mentality. There is a need for a change-2.

The last point we need to clarify is that "leadership is not a trend, and furthermore is not a charisma. It's banal and not too much romantic. In substance is performance."⁴⁵ These are the words of the father of modern management, Peter Drucker. From this angle derive that the crucial question is: "What's the leadership scope?" The effective leadership is not related with the charisma, or if it's related, the charisma surely isn't the finality. The effective leaders know well that universe will not be dominated by them.

⁴⁴ Watzkawkick, P and Weakland, J and Fisch, R. (1974); *Change: Principles of Problem Formation and Problem Resolution*, Norton & Company.

⁴⁵ Drucker, P.F. (2001); *The Essential Drucker: The Best Of Sixty Years Of Peter Drucker's Essential Writings On Management*, Harper Business, New York, N.Y.

First of all leadership is work. A good leader fixes the objectives and the priorities maintaining the standards.

The second condition is that leaders must perceive the leadership as responsibility rather than prestige, image and self-advertising (like in Albanian country). Effective leaders encourage, motivate and collaborate with the staff without having the fear that the staff will be more effective than the leader itself. Sometimes occurs that the pupil become more effective than the professor, like the son become more effective than his father; this should be considered as leadership satisfaction, not leadership frustration.

The final requisite of effective leadership is to acquire the trust of the others, otherwise the leader will have no followers (in a noble sense) and the unique definition of a good leader is the person that has (conscious) followers.

If the characteristics of a good leader are those we described above, general media of Albanian organizations (and not only) has no leaders.