

LEADERSHIP IN TIMES OF CHANGES
AIESEC CONFERENCE

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1. Introduction

In order to prepare well for the AIESEC panel I once again turned to my management guru, Peter F. Drucker and his books, namely; Managing in Turbulent Times (written in 1980) and Managing the Non-profit Institution (1990). Peter F. Drucker calls the forthcoming period the turbulent times to emphasize their difference from transformation times, reflected in the greater uncertainty about the process and its results. I believe his analysis is still valid, even though Drucker made it 17 years ago, in the period of relative stability.

Let me define, in a few sentences, the situation at the end of 1997, and at the end of second millennium:

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- the breakdown of the communist bloc in 1989 and 1990 liberated several countries inhabited by nearly 300 million people, on the other hand, the winning bloc countries (NATO members, and countries associated with the free, developed Western World) found themselves in conceptual vacuum and were once again forced to determine their objectives and formulate new strategies
 - rapid changes to information technologies and products leading to another global information revolution (succeeding industrial revolution)
 - social changes completed in some developed countries, and still taking place in 2/3 of the world, namely; marginalization of the working class which used to dominate in the society not a long time ago, and raising the level of education in the society from primary education (ambitious task in 1900) to secondary education (this objective has already been achieved). Maturity exam in 1900 equals graduating from higher schools nowadays. In the twenty-first century, the dominant social group will be that of knowledge workers, i.e. people who graduated from high schools, and are able to work creatively and analytically. They are professionals who understand the world and its phenomena, and possess communication skills.
 - Access to knowledge and education is gradually (not always noticeably) being democratized due to the widespread access to global information network (Internet, global television, radio) and the popularity of the global language, i.e. English.
 - Revaluation of the world's resources – the increasing role of human resources and knowledge (as the easily and quickly renewable part of resources)
 - The world is accelerating, changes in all spheres of human life are becoming quicker.

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Conclusion: This is the right time for leaders. Managers are good for times of stability, leaders are needed in times of transformation.

2. Characteristics of the global leader of the future

There are no simple answers. The answer depends on the segment or field of the leader's activity – be it profit-oriented business, or non-profit organisation, or political activities. Nevertheless, I believe, there are still some common features the leaders should possess:

- strong personality, ethics, values and belief which make the leader an example to follow
- openness in relations with people, participative approach to management
- ability to concentrate on the task not on themselves
- ability to evaluate the importance of long and short-term objectives finding the balance between the general and the specific, ability to see threats and opportunities clearly in company's activities.
- Intuition (but supported by knowledge) and competence enabling to choose the best solutions in crisis situations (when there is no time for analyses and considerations).

There are also some common things leaders are forbidden to do:

- you cannot lose understanding of your company's activities, its aims and methods to achieve them
- you cannot be afraid of strong points in yours organisation and you should not fear those more talented and skilled than you (one should remember the principle of creating scientific schools).

I would like to add a few comments concerning the business leader of the future. It has been observed that, apart from specialist knowledge, the importance of features normally associated with intellectuals, has increased.

- attachment to symbols and ideas, not people or institutions
- ability to develop personal contacts
- ability to see multiplicity of aspects in the situation, mainly through questioning of the existing rules
- broad and varied knowledge, critical ability
- ability to operate in various societies, spheres, worlds, leading to unusual, original connections
- ability to gather and process information connected with the task of choosing the alternatives.

One characteristic feature of this group of employers is placing special emphasis on ethical questions and employee intellectual development. The group possessing those features was called intellectual entrepreneurs. Those are people with scientific background, breaking away from their scientific careers and establishing unusually successful companies. Another popular phenomenon is that of choosing managerial careers in big corporations (industrial or financial). Are we witnessing a new social phenomenon? It is still difficult to judge, but taking into account the fact that more and more people graduate from universities and work in the scientific field, one can safely assume that such entrepreneurial and managerial careers will be more popular.

3. What attitudes, skills, values, leaders should have

The observation of outstanding managers and the projections of future global economy suggest choosing the following attitudes, skills and values as those facilitating the future manager's success. One must admit that there will undoubtedly be exceptions to the rules; people who are unusually successful, but yet do not feature all those traits.

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Attitudes helping leadership:

- openness to changes
- willingness to accept innovations and innovative thinking
- resistance to failure and stress
- clear vision (ability to think in terms of long-time development)

Effective leadership is easier when the leader likes people, accepts them, and wants to work with and for them. I personally think that this is the most important attitude.

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Among numerous skills needed by the future leader, the most important, in my opinion (I do not analyse obvious things, such as language skills) are:

- ability to provide quick analysis and synthesis of problems
- ability to reject the present rules and ideas and to adapt new solutions
- ability to work in a team
- ability to act assertively and to communicate easily
- ability to evaluate realistically the resources one has at his disposal and the ability to think in financial terms

Peter F. Drucker emphasises another ability (very rarely seen in Poland) – listening to others. This skill is becoming more and more important, as the world is becoming an increasingly complicated place, and the risk of making wrong decisions has never been greater.

If we assume that the leader is not only the person who is formally the boss of the organisation, but, more importantly, the person whose example other people follow, and who is able to motivate them to reach his (or his organisation's) goals, we will understand how important righteousness can be.

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I would like the future leaders to have a clear system of values, in which family would play a very important part. I believe that religious men find it easier to be leaders, as they are motivated by positive aspects of their faith (e.g. willingness to serve other people).

4. The role of such a leader in our society.

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I am convinced that the future will increase the role and field of activity of so-called non-governmental organisation. They can be defined as non-profit organisations whose activities cannot be classified within the simple definition of an enterprise.

One can classify here all foundations, operating in business environment, whose aim is to obtain capital for so-called "social causes", not for profit-sharing or dividend for shareholders. In our society in this difficult period of transformation from the authoritarian to the free society, there is a great field and great role to be played by non-profit organisations. I believe that in the future business schools will frequently educate students for managers of such

organisations.

The shortest definitions of a leader's role in the present society (no matter whether he will work in a company, non-profit organisation or government structure) is that he should lead the organisation through turbulent period.

The present time in Poland, which I simply call system transformation, is undoubtedly the time for leaders. When asked to define my role, I always say that I am a leader creating an institution, not a rector or a manager. Many of my business friends, managers of big restructured companies which were privatised, behave like leaders – they prefer unconventional solutions, show very strong personality, they lead people.

5. Basing on my experience, I will define the most important problems such leaders must handle

My experience is, obviously limited to Poland.

- indolence of the environment and its unwillingness to go beyond standard solutions (especially in government and local administration)
- lack of legal (including tax) solutions encouraging to experiment and act unconventionally
- natural attitude among co-workers to defend the once-won positions, desire to consume the success achieved, frequent conservative attitudes.

The manager in each developing institution faces the challenge of skilful leading and motivating his co-workers. It happens everywhere, but I believe it is especially important in such countries as Poland, undergoing not only pure economic transformation, but also transformation of conscience, attitudes and behaviour of the majority of our society. I am deeply convinced that such changes can be reached only if we believe in the above mentioned values and present the right attitude. There is another vital feature the leader must possess - personal diligence and engagement - enabling us to demand a lot from others and expect their participative attitude.

Finally, I would like to talk about the phenomenon which, in my opinion, makes the future bright and optimistic. The last twenty years have witnessed the revaluation of global resources and company assets. It turns out that the importance of capital, technology and raw materials has been slowly but systematically diminishing (they are or they can be at everybody's disposal). On the other hand, the value of human resources and the knowledge they created has increased considerably. Therefore the most valuable people in the company are those who possess knowledge and are able to use it.

While lecturing on seminars for managers of big business organisations, I usually demonstrate the principle of a reversed pyramid, used by the best multinational corporations. The more educated and advanced in the hierarchy the worker is, the more he is trained and the more is invested in him, because one original idea might improve the company standing not by mere 1%, but by 100% or 200%. This truth has been understood by many successful corporate

leaders.

On the other hand, the development of science, and its accessibility often generates in people various fears, feelings of being lost or even threatened. Man is bombarded with the flow of pictures and information and finds it difficult to differentiate between things that matter and the information noise. The development of information technologies adds another problem - more and more often the worker does not communicate directly with others, but only by means of computer and other appliances. He also collects more useful information from the information net. The new field of management (knowledge management) has become a considerable challenge in two aspects;

- a) training the future manager how to make use of the flood of pictures and information in a skillful and intelligent way and how to operate in various spheres of „tamed technology”.
- b) teaching managers how to manage the knowledge and skills of company employees. Top management will be more effective if the manager can use the knowledge, skills and experience of the whole team and not only individual knowledge and talent of a worker.

This new field of management is and will be very dynamic and complicated. The degree of complexity will grow with the structure of corporation. The horizontal structure of the company, with a limited number of executives, will definitely require more and more independent and competent knowledge workers - professionals. Knowledge managers, showing typical features of intellectual entrepreneurs will be needed and will have unquestionable authority.

I am constantly obsessed with the biblical analogy (risky though it may seem) which symbolizes the importance of leadership in the forthcoming turbulent times, times of great uncertainty, but also of great chance for those who will manage to spot it. Remember the story of Moses, leading his people through the desert? Many were afraid, many did not believe in the success of this big enterprise, but the leader, driven by some moral rules, responsibly and efficiently led his people to the new place and the new times of new opportunities and new challenges.