Leadership and Management

Connecting Theory and Real-Life Experience

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Leadership and Management in International Context

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Subject: Business Studies

Level and semester: Master Level, Spring 2012
Abstract

Master’s Thesis in Leadership and Management in International Contexts

Management and Leadership

Connecting Theory and Real-Life Experience

Idea and Purpose  The background of this thesis is the ongoing discussion of leadership and management and how these terms are connected. Unfortunately the discussion of this topic is very much restricted to books and scientific papers. My idea is to first clarify the terms of management and leadership and then, through dialogues to find out if and how the differences are relevant in daily work-life. My personal aim is to raise the awareness to the importance of leadership because it deals with the human being as a whole. Further I hope that this work might inspire executives to reflect themselves and to improve the relationship between them and their followers.

Research Question  Do leaders differentiate between leadership and management and how does the difference influence their understanding of the issue and their individual leadership style?

Methodology  The approach used here is a qualitative one, using dialogues to understand the ideas and opinions of today’s people in leading positions through interpretation and interaction.

Keywords  leadership, management, leaders, followers, real-life experiences, differentiation
Acknowledgements

This is the place where I would like to thank everyone who was involved in this thesis and helped me to make this possible. Looking back at the last five months I can say that I have learned a lot. Not only about my research topic, but also about myself. This was a time of development and enlightenment on many levels. I can just say that this thesis would not have been possible without the help and participation of several people.

First of all I would like to thank my wonderful tutor MaxMikael Björling who helped me a lot with figuring out what my main interest is and his constant constructive feed-back. I would like to extend special thanks to Philippe Daudi, head of the program, who created this inspiring and challenging learning experience and Björn Bjerke for guiding me through the jungle of methodology.

Also I would like to thank Terese Johansson. She was always of great help in organizational matters throughout the whole time of my studies in Kalmar.

Thanks are also due to all participants who took the time to answer all my question patiently.

Finally I want to thank my family who were always supporting me without questioning my ideas and last but not least all my friends and other discussion partners who helped me to develop my ideas, and supported me in every sense.

Kalmar 2012-05-14

Annika Sievers
Contents

1 Introduction 1
   1.1 The Idea and Composing the Research Question ................. 1
   1.2 Purpose ........................................................................ 2
   1.3 Structure ...................................................................... 3

2 Methodology 4
   2.1 Standing in front of the partiture .................................. 5
   2.2 Playing the Piece: Techniques and Data Collection ............ 11
      2.2.1 Dialogues ............................................................... 11
      2.2.2 Case Study ............................................................ 14
      2.2.3 Intonation - Quality and Validity .............................. 15

3 Theoretical Foundations 16
   3.1 Origins of Management and Leadership ........................... 16
   3.2 Important Concepts of Management .................................. 19
      3.2.1 The Classical Paradigm ......................................... 20
      3.2.2 The Behavioral Paradigm ...................................... 24
      3.2.3 The Systems Paradigm .......................................... 27
      3.2.4 Summary .............................................................. 28
   3.3 Important Leadership Concepts and Differentiation from Management 29
      3.3.1 Transformational and Transactional Leadership .......... 33
      3.3.2 Transformative Leadership ..................................... 34
      3.3.3 Servant Leadership ............................................... 36
      3.3.4 Summary .............................................................. 38
4 The Cases

4.1 Dirk Bissinger: Member of the Board of the German Live Saving Association, DLRG e.V. ............................................. 40
4.2 Karl Heinz Bloemeke: Professor for conducting, Hochschule für Musik in Detmold ......................................................... 43
4.3 Alexander Joel: Generalmusikdirektor, Staatstheater Braunschweig . 45
4.4 Stefan Krawinkel: Head of Engineering Department Electromechanical Components Chassis ........................................... 47
4.5 Sven Streiff: Managing Director, Setron GmbH .......................... 49
4.6 Summarizing the Dialogues .................................................. 50

5 Conclusions ........................................................................ 53

Bibliography ........................................................................ 56
## List of Figures

2.1 Overview of methodological views (Arbnor & Bjerke 2007, pp.61, 332-340) .................................................. 10
2.2 Reflective Dialogue (Mirvis & Ayas 2003, p.46) ................. 12
2.3 Guiding Questions .................................................. 13

3.1 Main ideas in the classical paradigm (Lemak 2004, p.1314) .... 23
3.2 Main ideas in the behavioral paradigm (Lemak 2004, p.1315) .... 26
3.3 Main ideas in the systems paradigm (Lemak 2004, p.1316) .... 27
3.4 Paths of leadership and management within an organization .... 32
1 Introduction

1.1 The Idea and Composing the Research Question

After 60 years the discussion about leadership and management is still ongoing. This process has started in the late 1950s with studies by Campbell and other authors who understood leadership as a subset of effective management (Kent 1999, p. 961). The differentiation between these two began in the 1970s with authors like Zaleznik (1992) who asked ‘Managers and Leaders: are they different?’.

Inspired by Bennis & Nanus (2007), who describes the existence of a gap between the leadership needed at the workplace and the leadership taught at universities, led me to ask ‘What influence higher education might have on the individual leadership style?’ This was my first idea about the connection from the taught theory available in books and scientific papers with the daily work-life of executives and their background. However, firstly I recognized that this question is too big for this masterthesis and secondly the more I read on the topic, the more I realized that it is the difference between leadership and management and the perception of this by executives which interests me most.

Looking back on my own educational background (business administration) I recognized that mainly management theories were presented to the students. Kent (2005) argues that it needs more than management to lead people in a company. It needs both, to be precise. This is also suggested by Kotter (1990, pp.7-9) who describes how the two extremes - to have too much or too little of management or leadership - can look like and which effects those extremes might have.

With this in mind I asked ‘What are people in leading positions doing when they are not aware of this differences?’ especially if they do not have had a kind of
business education where these matters were part of. Are they maybe influenced by the common use of language that uses the term of management as it can be observed for example in Germany? But how can leadership be acknowledged, when the word itself is seldom used and how do people in leading positions perceive this matter and how do they see themselves? As managers or as leaders?

All these questions finally fit into my research question:

*Do leaders differentiate between leadership and management and how does the difference influence their understanding of the issue and their individual leadership style?*

This question, embedded in the topic, shall raise the awareness of the reader towards the importance of leadership and that leadership is present where at least two persons are involved. I hope to find that the term of management as it is understood generally does not replace the idea and action connected to the term of leadership.

### 1.2 Purpose

My personal interest lies firstly in deepening my understanding of the differences between management and leadership. Secondly, I will try to connect my theoretical knowledge to real-life with the help of five dialogue partners who will help me to understand what meaning leadership and management have in daily work life of an executive.

Connecting these two parts, I strongly suggest that one conclusion might be management cannot work without leadership and vice versa that this can be found everywhere; at home, at work, in different working environments. Further I hope to find the human being is centered in the mindset of executives, not as a 'human resource' but as a person with own ideas and needs and that leaders and followers are interchangeable in distinct situations.

The aim with this thesis is to raise the attention towards leadership, away from the old fashioned understanding of management that is still present and often
linked to the classic scientific management era with the main purpose of organizing time, money and people to reach an optimum of production output.

Finally I hope that readers are able to find some inspiration for their work with their followers and empower other people to become good leaders and good followers as well.

1.3 Structure

The structure follows the classical order; I tried to follow a path through my work that the reader is able to follow my thoughts. The thesis is divided into four main parts before I resume my findings and conclusions in the end.

This part, chapter one, gives a first overview about the topic, the way to find the main question and the purpose of my work.

Chapter two describes the methodology I have considered and used. This includes my understanding of what methodology is about and my own approach as a researcher within the topic of my work. Further this chapter presents the participants in the small case study and the idea how to direct the dialogues.

Chapter three is dealing with the theories about management and leadership and presents the most popular concepts of both.

Chapter four presents the dialogue partners backgrounds, and their personal opinions and believes about leadership and management connected to their everyday experiences.

Finally, chapter five presents my conclusions.
2 Methodology

Writing an academic paper is inevitably connected with considerations how to create knowledge. A paper always starts with an idea that aims to a blurry horizon. It is somewhat like being a musician standing in front of a difficult piece thinking about the right way to interpret it and the right techniques on the instrument to create the desired sound. For the academic writer the way to think about interpretation and techniques are combined in methodology. However methodology is more than just techniques. Methodology is a process that starts with the very first thought about how to transform the idea of a topic into a valuable research.

The Oxford Dictionary of English defines research as 'the systematic investigation into and study of materials and sources in order to establish facts and reach new conclusions’. Silverman (2005, p.96) describes new conclusions as scientific findings that are usually assessed in relation to the theoretical perspective to which it may contribute and from which it derives. Arbnor & Bjerke (2007) named this process as the creating of knowledge.

Usually such processes start with generating a research problem, establishing a perspective towards it. This is crucial when it comes to methodology. Before choosing the methods for the research the author’s view must be considered and discussed what helps to define the type of research, quantitative or qualitative, to use the right methods and use them properly.

The next sections describe how methodology and techniques respectively methods are used in this paper.
2.1 Standing in front of the partiture

This section represents the first steps of the research. A musician would consider here which piece of music he or she wants to play and and practice for a distinct space of time. In scientific research it is then the first, and I think, most important step to find an appropriate topic that is interesting enough to induce the researcher to spend a lot of time with and convince the reader to invest time and effort to understand the author’s issues and findings. Of course authors are as self-centered as most human beings. Therefore it is not astonishing that they try to find a topic that is strongly connected to their own personal interests (Daudi 1986, p.122). With such a topic I expect an increasing intrinsic motivation to live with ‘my topic’ for a while.

In the literature about qualitative research the authors agree on starting a research with finding or identifying a problem. Corbin & Strauss (2008, p.21) ask two questions preceding research:

- How do I identify a problem that I would like to research?
- How then do I sufficiently narrow down the problem to make it into a workable project?

However, not every problem provides a researchable topic. Whereas the sources to find one are numerous. The news and public discussion for example, but also in organizations social problems can be found (Silverman 2001, p.6). Corbin & Strauss (2008, p 21) concretize the origins of researchable problems:

- Problems that are suggested or assigned by an advisor or mentor.
- Problems derived from technical and nontechnical literature.
- Problems derived from personal and professional experience.
- Problems that emerge from the research itself.

The problem discussed in this paper derives mostly from my personal experience. At a later stage the research itself helped to narrow down the first ideas to a researchable topic and the research question was formulated:
Do leaders differentiate between leadership and management and how does the difference influence their understanding of the issue and their individual leadership style?

This formulation of the question is crucial because it should be broad in the way it addresses the topic, and at the same time limits the scope of the research (Corbin & Strauss 2008, p.21). Further it indicates the methodological approach of the research (Corbin & Strauss 2008, p.12).

This here asked question aims at understanding how executives of today perceive and execute leadership at their workplace. Especially the aspect of understanding defines the general approach of the research; qualitative research is about understanding rather than explaining. Typical for research questions with this approach is a distinct degree of explicitness (Bryman & Bell 2011, pp.390-393). Corbin & Strauss (2008, p.12-13) describe the nature of qualitative research as dynamic and evolving. Furthermore it allows the researcher to get access to the inner experience of the participants, to determine how meanings are formed in and through culture and discover rather than to test variables within the process. Of course the researcher has an important role in this kind of research. The researcher has to bring her whole self into this challenging process that needs courage, curiosity, open mindedness, unconventional thinking, and having the heart to ask sometimes uncomfortable questions. Interesting in this context is the opinion that ‘qualitative research is as much about asking questions as providing answers’ (Silverman 2004, p.47). This underlines for me the more understanding character of this kind of research. What is the relation between the researcher and the kind of research itself? It is important to recognize that qualitative data are social constructs and are influenced by the researcher’s assumptions about social reality and methodology (Silverman 2004, p.37).

This leads to the type of research. Fisher (2007) distinguishes five types that differ in two aspects; the understanding and action, and the characteristics a research unites. According to these definitions I look on my research as an interpretive one with the characteristics dialogic structures, participant observation,
exploring meaning and dealing with complexity. When it comes to understanding and action an interpretive research acts on the assumption that understanding provides a context for thinking about action but does no specify it (Fisher 2007, p.41).

Researchers with this approach comprehend the link between action and understanding as an indirect one that is mediated through people’s thinking, values and relationships with each other. While knowledge cannot provide clear explanations and descriptions of action, knowledge can give a clue to understand a situation which can help to use our judgement to arrive at a better choice of action. This connection is an indirect one caused by the complexity of the world itself and the several options for action which cannot be recognized by a human being in all their details and consequences. In this interpretive approach complexity is recognized in two different ways. On the one hand it is a concern for meanings and interpretations, which means that the links between interpretations are dialogic. Researchers develop their thoughts and ideas through conversation and discussion with themselves and other people. Because of this researchers are not only interested in their topic, but also in how other people’s understanding of their environment influences others and vice versa (Fisher 2007, pp.47-48).

Therefore interpretive researchers try to map the range of views that people have and how they make sense of the world with it’s structures and processes. On the other hand complexity is seen as a processual perspective. It’s attempt to generalize about the construction of meaning developed through interactions and the look at the world where people struggle to make sense of leads to a processual study that emphasizes complexity and uncertainty (Fisher 2007, p.48).

This allows the assumption that interpretive researchers often participate in the processes they are studying. There are two typical ways for interpretive research to deal with theory. The first is a grounded approach to research. Here researchers try to let theories emerge from their research material. In the second they come up with a toolbox of selected theories they consider finding a framework that helps to explain their discoverings out of the research. Both these approaches have in common that researchers are often participants in the processes
they are studying (Fisher 2007, pp.49-50). This approach is often connected with hermeneutics; the process of interpreting human actions, products, utterances and institutions, or with phenomenology; the study of people’s subjective and everyday experience (Fisher 2007, pp.50-51).

As a researcher asking if and how executives look onto and understand the difference between leadership and management I ask for subjective work-life experiences and perceptions. So I try to make sense out of the results I get during the research, knowing that I am acting in a complex environment where the people I speak to will influence me and their environment as much as I influence them. This sensemaking goes hand in hand with my interpretation of the selected field of study, depending on my frame of reference built up out of personal experiences, learned knowledge and the attitude with which I perceive my own environment.

One might argue, that the direct contact to executives aims to an ethnographic approach which is often directly connected to participant observation combined with collecting of documents and interviews with a specific focus on the culture of a distinct group (Bryman & Bell 2011, p.426). Within my research I speak with executives from different areas such as business, music and voluntary organizations, to collect a small number of stories to get access to their ideas about my question.

My role as researcher follows the idea of ‘the academic’ formulated by Fisher (2007, p.58): researchers applying this role are usually visible to the members of an organization but are not involved in it. However, researchers are always involved in the whole process, especially during the collection of data (Daudi 1986, p.118) and influences or is influenced, as mentioned earlier, by the people they are speaking with. Because of me being a part of the research it is not possible to hide my personality in my research and I have decided not to write in the third person when it comes to my own thoughts and findings. Daudi (1986, p.115) and Harwood (2005, pp.1208-1209) underline how important it is for the researcher to be evident in the text. With so little as using the pronouns we and I, the author’s presence promotes the research itself and makes the effort and the findings more visible to the reader who is usually affected by the study in their own behavior.
which in turn leads to a higher reputation of the research. Another effect is an increase of the researchers identification with and their position within the work.

Especially the idea about my role in my research helped me to find the method best suited for dealing with the information I got from the executives. First I thought about a story-technique, but following Yin (2003, pp.5-7) who has two characteristics for this kind of study: the control of behavioral events, and the focus on contemporary events I decided to look on the executive’s stories as short cases combined in a small multiple case study. First of all the research questions fit with the demand for how and why questions. The following criteria are also fulfilled: the second, having no control over actual behavioral events, with me acting more as an observer from outside and also the third, to focus on contemporary events, with me dealing with the today’s views and opinions of my dialogue partners.

Me being a part of my own study has the consequence that I have a special perspective on the problem and a distinct understanding of it. This means that I am not free of so called ‘ultimative presumptions’ which have an important influence on the methodological view I have and how I use the techniques to collect data. These views are described by Arbnor & Bjerke (2007) who differentiate between three views; the analytical, the systems and the actors view. The figure 2.1 shows the main differences between these methodological views a researcher or creator of knowledge, to use their expression, can have.

As described earlier I assume that I am going to influence other people, especially those I am speaking with and that I am influenced by them. Another important issue is that I try to understand other peoples’ opinions and perceptions with my research. I am convinced that reality is a social construct in this context and with asking my research question I have a distinct pre-understanding that has a big influence on the whole research process. All these earlier discussed indicators point strongly towards the actors view as the method of choice.
<table>
<thead>
<tr>
<th></th>
<th>Analytical View</th>
<th>Systems View</th>
<th>Actors View</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Look on reality</strong></td>
<td>Reality is based on facts</td>
<td>Reality is based on objective systems structures and subjective opinions about it</td>
<td>Reality is socially constructed</td>
</tr>
<tr>
<td><strong>Prerequisites</strong></td>
<td>• Existing analytical theory</td>
<td>• Existing systems theory</td>
<td>• Metatheories</td>
</tr>
<tr>
<td></td>
<td>• Hypotheses</td>
<td>• Analogies</td>
<td>• Constitutional factors</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• General pre-understanding</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Interactive development of understanding</td>
</tr>
<tr>
<td><strong>Explaining/Understanding</strong></td>
<td>Causality: explanation</td>
<td>Finality: explanation or understanding</td>
<td>Dialectics: understanding</td>
</tr>
<tr>
<td><strong>Result</strong></td>
<td>Cause effect relations</td>
<td>Classifications</td>
<td>Descriptive languages</td>
</tr>
<tr>
<td></td>
<td>Logical Models</td>
<td>• Structural representative models</td>
<td>• Situational interpretive models</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Representative interpretations</td>
<td>• Institutional models</td>
</tr>
<tr>
<td></td>
<td>Representative cases</td>
<td>Classification mechanisms</td>
<td>• Process models</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Typical cases</td>
<td>• Ideal-typified language</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Partly unique cases</td>
<td>• Ideal-typified cases</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Constitutional ideals</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Emancipatory interactive action</td>
</tr>
<tr>
<td><strong>Typical criticism</strong></td>
<td>• Focuses too much collecting and analyzing data</td>
<td>• Holistic approach can hide alone-standing facts</td>
<td>• Provides no general knowledge</td>
</tr>
<tr>
<td></td>
<td>• Disregards the context by selecting just few variables</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• No subjective opinion of the researcher</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Table of Methodological Views](image)

Figure 2.1: Overview of methodological views (Arbnor & Bjerke 2007, pp.61, 332-340)

The actors view especially encourages the researcher to be open, devoted and to question all previously given categorizations and clichés which might to turn out to be a challenge in situations where I have to overcome my pre-understanding. This is in line with the paradigm of grounded theory, which is interpreted as a theory deriving from data, systematically gathered and analysed through the research process. In this method everything, data collection, analysis and theory are strongly connected (Corbin & Strauss 2008, p.12). Bryman & Bell (2011, p.576) highlight the referring character among these elements. They call this approach of developing theory iterative or recursive because during data collection and analysis the elements usually refer to each other. Within my work I have a general approach of grounded theory but I have a toolkit of theories to set up my framework that helps to explain my findings.
2.2 Playing the Piece: Techniques and Data Collection

This section represents the second step for a musician, when he or she has chosen the piece of music and considers the ‘right’ techniques according to the type, style and history of the piece. Here the techniques of the chosen approach in combination with the topic, highly influenced by the research question, the type of research and the resulting view I have towards methodology are dialogues for getting access to the needed informations and case studies to analyse them.

2.2.1 Dialogues

The dialogues represent the instrument of my data collection with which I try to get personal views, opinions and thoughts from todays leaders with different backgrounds situated in several environments. Of course for just getting to know these ‘facts’ conversations or interviews might suit as well, but I tried like Bjerke (2007, p.3) suggests, to understand the meaning and significances in other people’s language and cultural worlds which is a rather more subjective knowledge and socially constructed. The dialogue itself follows the idea of social constructionism and has a harder and a softer type. The softer one is called phenomenology and goes along with the interpretive type of research which has been chosen here.

Here meaning can be understood as language typifications, which the researcher or rather the actor brings into the dialogical situation. Later the own frame of reference increases caused by own modifications and interpretations (Bjerke 2007, p.4). In this special situation researchers are not only observers or actors, they are both. This special role is named observactor and is looked at metaphorically conformed with being an author (Bjerke 2007, p.4).

Dialogues have a slight self-reflecting character. When conducting the dialogues the participants take a step back and look on their own life story. This increases their self-awareness as well as mine. Psychotherapists assume that people ‘reexperience’ their life, when they look back and discover long forgotten feelings which caused distinct decisions. Storytelling has a long tradition and locates the self
in a social-cultural context, apart from its communicative value. Storytelling is able to bring other people’s experience in relation with one’s own stories (Mirvis & Ayas 2003, p.44). Figure 2.2 shows the relations between the self and the other dialogue partner where it needs understanding and empathy to see the differences and similarities between both lives and perspectives within the process of reciprocal role taking and socialization. Mirvis & Ayas (2003, p.46) point out that ‘in understanding another person, we come to better understand ourselves’. When using dialogues not only the content of the talk is of interest but how something is said plays a key role in understanding what is said (Bjerke 2007, p.10).

![Reflective Dialogue Diagram](image)

**Figure 2.2: Reflective Dialogue (Mirvis & Ayas 2003, p.46)**

This leads over to the question of how to deal with the dialogue as a technique. To be an active part within the dialogue the researcher has to be well prepared in the field of knowledge that is going to be discussed. Furthermore four more requirements are needed to be successful for a researcher to participate in a dialogue like a clear talk, to be an active listener, to be critical and to remember what is said during the dialogue (Bjerke 2007, p.11).

In order to ensure a minimal structure for the dialogues I formulated so called ‘guiding questions’. They should help me to keep the direction of the talk aimed to the topic. These questions have an optional character, not in every dialogue every question will be used. They are thought as a backup option in case that
the dialogue partners need a little inspiration to tell their stories and might be helpful to create a more comfortable atmosphere in which the partners feel safe and confident. I separated the questions in two blocks as seen in figure 2.3. The first block is intended as a warm up, to get to know each other a little bit better while the second is more focused on the topic.

<table>
<thead>
<tr>
<th>Warm up</th>
<th>Focusing the topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>I like to get to know your background a little bit better. Please introduce yourself!</td>
<td>How do you understand management?</td>
</tr>
<tr>
<td>What is your task now?</td>
<td>How do you understand leadership?</td>
</tr>
<tr>
<td>How did you come into this leading position?</td>
<td>Do you think there is a difference between these two?</td>
</tr>
<tr>
<td>What do you like most about your work?</td>
<td>How do you position yourself?</td>
</tr>
<tr>
<td></td>
<td>If you look back and you would have the chance to change something in your development/behaviour, what would that be and how?</td>
</tr>
</tbody>
</table>

Figure 2.3: Guiding Questions

In the process to find participants an information sheet was sent in which I presented myself and the project and asked for the permission to record the dialogue and the non-anonymous publication of their stories in my thesis. After contacting over twenty companies and organizations I got access to the following candidates:

- Dirk Bissinger: Member of the board of the German live saving association DLRG e.V.
- Karl Heinz Bloemke: Professor for conducting, Hochschule für Musik in Detmold
- Alexander Joel: Generalmusikdirektor, Staatstheater Braunschweig
- Stefan Krawinkel: Head of engineering department electromechanical components chassis, Volkswagen AG
- Sven Streiff: Managing director, Setron GmbH
CHAPTER 2

METHODOLOGY

I tried to find participants with different backgrounds to get as much different opinions as possible who can help me understand how the matter of leadership and management is perceived. I am aware that other cultures might have a different understanding of leadership and management and the differences and connections between them. Because of this I focused on executives located in Germany. Being a part of the German culture I expect that the general opinion about the topic of my study is more or less similar with slight differences caused by the influence through the personal background and development.

With the analysis of the dialogues I follow the advice given by Fisher (2007, p 182). Usually the complete transcription of naturally occuring talk is very time consuming. In a study with a distinct limit of time the researcher should take some notes during the dialogue and later listen to the recording several times to take notes for each talk. These notes are then used to recount the participants opinions and thoughts to create short cases embedded in a case study.

2.2.2 Case Study

As mentioned earlier, I chose the method of a case study for my research. This gives me the opportunity to arrange the stories emerging from the dialogues in a reasonable way. Ethnographical methods as a whole simply is too massive for this study. Case studies have the big advantage that they do not take such a long time for observing. It fits better to my needs because it is possible to do a case study without leaving the library using internet or phone because they do not always need detailed observation as a source of evidence. However case studies follow sometimes ethnographic methods like using close-up, detailed observation of the natural world and the attempt to avoid prior commitment to any theoretical model (Yin 2003, pp.12-13).

Of course case studies present some distinct problems. First and foremost is the difficulty to generalize from a single study. A case study does not represent a single example, however the aim is to expand and generalize theories. Comparing case studies and experiments the multiple case study seems to be the right
technique to observe the same phenomenon under different conditions (Yin 2003, p.10).

Using this definition I understand the different backgrounds of the participants as different conditions in search for the phenomenon understood as the understanding of management and leadership.

2.2.3 Intonation - Quality and Validity

Like a well performed symphony that is created by the musicians in the orchestra playing on perfectly tuned instruments a study has to be created with valid and authentic research material. I use here the metaphor of a concert visitor who measures the quality of the performance with its perfectly designed sound as an image for the reader who needs the well researched and composed fundament of a study.

Validity is often understood as the truth of a study or the measurement of a concept. Especially in quantitative research the measure has an important role. If it is not reliable, the measure cannot be valid (Bryman & Bell 2011, pp.159-161) In qualitative research the matter of measurement or absolute truth is difficult. Fisher (2007, p.290) defines validity as the truth of the interpretations. Bryman & Bell (2011, pp.395-398) present different views about reliability and validity in qualitative research. The first option is adopting the definition of quantitative research with external and internal reliability and external and internal validity. Alternative criteria would be credibility, transferability, dependability and confirmability with the added criteria of authenticity. The criteria in the latest discussions about quality in qualitative research are sensitivity to context, commitment and rigour, transparency and coherence and impact and importance.

However this set of quality criteria shows that the matter of quality in quantitative research is difficult to define. I decided to follow in general the checklist assembled by Spencer et al. (2003).
3 Theoretical Foundations

3.1 Origins of Management and Leadership

In his work 'The Life of Reason' (1905) George Santayana wrote ‘Those who cannot remember the past are condemned to repeat it.’ (Moncur & Moncur 2012). This short sentence illustrates the importance of paying attention to the origins of the things one is dealing with. Recent authors like Langbert (2002, p.926) state that practitioners and researchers tend to forget the past and therefore overlook historical patterns which today’s theories and findings are built on. This section gives a brief overview where the concepts of management and leadership of today have their origins.

Authors differ about which concept is older. Pearson (2009, p.5) dates the origins of management at around 5000 B.C. Sumerian temple priests founded a tax system that needed skills and competencies we associate with modern management. Another example might be the construction of the pyramids in old Egypt around 4000 B.C. where, for sure, organizational skills were needed to ensure an overview over the whole process and ensure correct execution.

Bass & Bass (2008, pp.3-4) on the other hand argue that leadership is the older concept since human beings have to follow the leadership of parents a long period in their lives. Leadership would then be a principle deeply ingrained into the human psyche. Further they assume that this relationship between children and parents is still affecting how we behave and think as leaders or followers in adult life (ibid). However leadership is a very old concept. Almost every society in human history built up myths and legends around great leaders and leadership to explain their dominance. An example might be this: in times of hunting and
gathering leaders of groups had to be independent and strong to assure enough food, a safe place to sleep; in short words the survival of their group. They had to find ways to ensure their leadership over the time.

The first written principles about leadership were found in ancient Egypt dated around 2300 B.C., Chinese classics provided some advice to leaders around 600 B.C., and in ancient Greece philosophers like Plato and Aristotele formulated requirements for ideal leaders and emphasized the importance to educate youths for leadership (ibid, p.5).

The first papers about management were written around 1900. The most famous is probably ‘The principles of scientific management’ by Frederick Winslow Taylor and first published 1911.

But the origin of the management as it is understood and practiced today has its origins around 1850. Chandler, probably the first management historian identified the reason for the development of today’s management in the rise of modern business enterprises in the U.S. after 1840. These enterprises were the big railway and telegraph companies (Chandler 1977, pp.1-2).

But why were these companies the reason for the big attention management got and still gets? With the upcoming mass production small manufactures enormously grew in size and, consequently, workforce. This growth caused a need to hire additional people who were able to monitor and to coordinate the work of the units within those companies with the consequence that ownership and management became more and more separated (Chandler 1977, p.3). The positive effect alongside the better organization, management made it possible to employ large numbers of professionals in productive work in human history for the first time (Drucker & Handy 2007, p.4). But not only the companies changed over time into big line-organizations. The managers also became more and more professional. With the diversity inside the companies also growth increased. Special skills were needed. Training, experience and performance became more and more important factors for success whereas the significance of birth, connections, and property declined. For the first time business men were able to make a career for themselves based on their knowledge and skills alone (Chandler 1977, pp.8-9).
These new structures which were modelled after by management the army with its command-and-control structure and were then transferred into every big organization, for example steel and telegraph enterprises, modern banks and department stores (Drucker & Handy 2007, p.5). This structure is the traditional line-organisations with top-, middle- and lower management (Chandler 1977, p.2).

Until World War I only few thinkers became aware of management's existence because managers were recognized to play an important role in the growth and the efficiency of the firm (Drucker & Handy 2007, pp.4-5) and (Smothers et al. 2010, p.525). Management itself got more and more attention because of the mass production of weapons and munition during World War I for which a lot of unskilled workers had to be trained to productive workers in a very short time (Drucker & Handy 2007, p.5). After the war, during the 1920s and 30s American management pioneers started to ask questions about how manufacturing was organized caused by the thought of overcoming scientific management 'from working harder to working smarter' (Drucker & Handy 2007, p.6). From the 1940s onwards management was recognized to be more than business management. Wherever skilled and trained people are brought together with the goal to work together in any form of organization, management is needed to combine their capabilities effectively (ibid).

In summary it may be said that, during the first 100 years of development of management from the 1840s to 1940s due to the rise of modern business enterprises primarily in the U.S. managers became the most influential group of economic decisions makers. This development was encouraged by the fact that between 1840 and 1918 the U.S. was the largest and fastest growing market and had the highest growth in population worldwide Also the market was more homogeneous and compared to Europe class lines played a minor role (Chandler 1977, pp.1-2, p.498) and it was possible that management became the new social function worldwide (Drucker & Handy 2007, p.9).
3.2 Important Concepts of Management

Usually the well known management theories are presented in a chronological order or sorted by school. Koontz (1961, pp.175-181) sorts the major theories of management into six main groups or so called schools of management:

- **The management process school** with the main approach that perceives management as a process of getting things done with and through people organized in groups

- **The empirical school** with the approach of identifying management as a study of experience which means that experience can be transferred to practitioners or students, for example, through studying case studies

- **The human behavior school** with the assumption that management must be centered on interpersonal relations such as human relations, leadership or behavioral sciences approach

- **The social system school** which is related to the human behavior school but here management is understood as a social system or a system of cultural interrelationships

- **The decision theory school** with a very rational approach to decision especially the selection of action or of a specific idea among several alternatives

- **The mathematical school** that looks upon management as a system of mathematical processes and models

Another option to look at management is to connect theory to distinct paradigms by identifying underlying assumptions.

Lemak (2004) identifies three suitable paradigms; the classical, the behavioral and the systems paradigm. Further he formulates six assumptions for every paradigm that stand for comparable attributes which can be found (Lemak 2004, p.1312):

- Unit of analysis,
• Source of motivation,

• Human nature,

• Focus of managerial attention,

• Ultimate objective, and

• Role of manager.

I have chosen this way of presenting the different management theories and their authors because these assumptions show the most interesting issues and characteristics of each theory.

3.2.1 The Classical Paradigm

The phrase ‘classical theory’ is often directly connected with or used synonymously for Taylor’s ‘scientific management’. Theory connected to the classical paradigm could be seen as early writings about management in general (Lemak 2004, p.1313). These writers were active around the time of the Industrial Revolution and the rise of mass production firms. Among them were Robert Owen for example, Charles Babbage, Andrew Ure and Charles Dupin.

Their reflections and ideas about the best way to run a company make them pioneers of modern management (Wren & Bedeian 2009). Even if their work was written and published later Frederick W. Taylor and Henri Fayol are related to this classical paradigm. What these writers and their work have in common is that the ideas are still relevant today and can be found in nearly every textbook introducing management. This is valid especially for the last two authors.

Frederick W. Taylor was trying to establish management as a science because he was convinced that introducing performance standards by determining how a job could be done most efficiently would raise the motivation of workers. Workers should recognize these standards as being set scientifically with the effect of accepting the set goals by their foremen to minimize soldiering. Taylor worked empirically to find and establish the most efficient way to perform a worker’s job
by using weight scale, stopwatch and tape. He measured all distances and times workers needed to get their material and to get their job done. One interesting fact he figured out by doing this was that the waste of time (and money) was often caused by the management (Wren & Bedeian 2009, p.125). With his work he made the image of workers being a small part of a machine working together for greater productivity of the firm popular (Parayitam et al. 2002, p.1005). Taylor set up the following principles of (scientific) management (Taylor 1911):

- ‘The development (by the management, not the workman) of the science of bricklaying, with rigid rules for each motion of every man, and the perfection and standardization of all implements and working conditions.’

- ‘The careful selection and subsequent training of the bricklayers into first-class men, and the elimination of all men who refuse to or are unable to adopt the best methods.’

- ‘Bringing the first-class bricklayer and the science of bricklaying together, through the constant help and watchfulness of the management, and through paying each man a large daily bonus for working fast and doing what he is told to do.’

- ‘An almost equal division of the work and responsibility between the workman and the management. All day long the management work almost side by side with the men, helping, encouraging, and smoothing the way for them, while in the past they stood one side, gave the men but little help, and threw on to them almost the entire responsibility as to methods, implements, speed, and harmonious cooperation.’

Henri Fayol’s masterpiece Administration Industrielle et Générale, was published in 1916. Coming from an engineering background he realized during his time as a general manager that managing a big company needs other skills than those he learned during his rather technical education. He had a slightly different view on management than Taylor. For him management involved every activity that is connected with producing, distributing and selling a product. This means that in
his eyes a manager would have to be able to make plans, organize material and equipment as well as deal with people and more (Wren & Bedeian 2009, p 213). Like Taylor he tried to find out which factors have an impact on the output of a firm but he focused more on events and the consequences to production. As a result of these observations he formulated his fourteen principles of management (Rodrigues 2001, pp 880-885) and (Wren & Bedeian 2009, pp 217-221):

- **Division of work:** the idea that if production is separated into smaller parts carried out by specialists, the output is higher and better with the same effort

- **Authority:** comprises formal and informal authority, both is needed by managers to have the right to give orders.

- **Discipline:** stands for the requirement of clearly defined rules and procedures within an organization to encourage the discipline of the employees.

- **Unity of command:** follows the old idea that nobody can serve two masters, orders should be received only from one executive.

- **Unity of direction:** means that only one executive and one plan should exist for a distinct set of activities.

- **Subordination of individual interests to the general interest:** describes that the interest of employees should fit with the goals of the organization they are working for.

- **Remuneration:** deals with day wages, bonuses, piece rates, and profit sharing. Further compensation for work should be reasonable and fair to employees as well as for the organization.

- **Centralization:** stands for the balance of centralization and decentralization to avoid organizational ineffectiveness.

- **Scalar chain:** stands for the direction of communication running through an organization and the line of authority. Fayol suggests that communication should be top-down and just in special cases horizontal.
• **Order:** describes that everything in an organization has a distinct place and that it is kept there. This is also valid for people (‘the right man in the right place’).

• **Equity:** means fairness that results from a combination of justice and kindness when managers deal with employees.

• **Stability of tenure of personnel:** stands for avoiding a high rate of employee turnover by ensuring that employees in a company have access and the right to use everything they need to get their jobs done appropriately.

• **Initiative:** stands for the opportunity to create new ideas and the possibility to implement them.

• **Esprit de corps:** stresses building unity and harmony within an organization pointing towards the strengths a strong team has.

<table>
<thead>
<tr>
<th>Unit of analysis</th>
<th>Frederick W. Taylor</th>
<th>Henri Fayol</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>• Pay men, not positions</td>
<td>• Principle No. 1: Division of work</td>
</tr>
<tr>
<td></td>
<td>• No profit sharing</td>
<td>• No. 7: Remuneration of personnel: pay individuals. No profit sharing</td>
</tr>
<tr>
<td></td>
<td>• The notion of „soldiering“</td>
<td></td>
</tr>
<tr>
<td>Source of motivation</td>
<td>• Differential piece rate.</td>
<td>Pay workers with time rates, job rates or piece rates</td>
</tr>
<tr>
<td></td>
<td>• Notion of a „high priced man“ and first class worker</td>
<td></td>
</tr>
<tr>
<td>Human nature</td>
<td>• Scientific selection of workers.</td>
<td>Principle No. 11: order. There is a natural order that pervades nature. Manager should set a good example for workers to follow</td>
</tr>
<tr>
<td></td>
<td>• Workers respond to training and do as they are told to maximize pay</td>
<td></td>
</tr>
<tr>
<td>Focus of managerial</td>
<td>• Use of the scientific method and time/motion studies</td>
<td>Eliminate or retrain the incompetent worker. Technical ability is most important for workers</td>
</tr>
<tr>
<td>attention</td>
<td>• Managers design work. Workers do exactly what they are told</td>
<td></td>
</tr>
<tr>
<td>Ultimate objective</td>
<td></td>
<td>• Chapter 5 on planning (efficient use of resources) and control</td>
</tr>
<tr>
<td></td>
<td>He quotes F. D. Roosevelt that „national efficiency“ is the country’s greatest concern</td>
<td>• Principle No. 5: Unity of direction</td>
</tr>
<tr>
<td>Role of manager</td>
<td>Managers design tasks, plan out the daily work, schedules and train the workers how best to perform the tasks</td>
<td>The managerial functions are planning, organizing, commanding, coordinating and controlling</td>
</tr>
</tbody>
</table>

Figure 3.1: Main ideas in the classical paradigm (Lemak 2004, p.1314)

Lemak (2004) illustrates the differences between these two works within the classical paradigm as shown in figure 3.1. Both authors have a high interest in the growth of the organization. Fayol, however, has a closer look into the relationship between management and employee and tries to find ways to improve this.
Taylor’s interest is clearly aiming towards efficient work and the accompanied increased efficiency of the firm.

Typical for the classical paradigm is that in their research writers usually focus on the individual. Classical theory follows the assumption humans are essentially rational and that they could easily be motivated by the use of monetary incentives. In summary his paradigm understands managers as those who design work and ensure that it will be done correctly (Lemak 2004, pp.1317-1318).

3.2.2 The Behavioral Paradigm

The beginnings of the behavioral paradigm are mostly connected to the Hawthorne experiments (1924-1932) which lead finally to the ‘human relations’ theory. The Hawthorne experiments were a series of different experiments influenced by Taylor’s work trying to find factors which have an impact on productivity. First experiments dealt with the relationship between illumination and productivity, and later the main studies were focused on the effects of changes in workhours and rest pauses on productivity. The result of these studies is that an increase in production is related to a social position and social treatment - called the ‘Hawthorne effect’ (Wickström & Bendix 2000, pp.363-364).

Elton Mayo and Mary Parker Follett are the most influential writers within this paradigm. They developed the ideas about power in groups, followership and participation in formal organization in the modern sense (Lemak 2004, p.1318). Their key ideas are summarized in figure 3.2.

Further they have recognized the power of social needs as a motivating factor as people are mainly driven by emotions. This corresponds with the findings of the Hawthorne experiments were the informal work groups in formal organizations were discovered. Psychology namely industrial psychology became much more important when the idea took hold that managers need a more holistic approach toward the employees and an understanding of what motivates them and why (Lemak 2004, pp.1318-1319).

This paradigm caused a shift in the manager’s function from ensuring that the
work be done as it should to understanding how to deal with workers. The role of a manager therefore changed to being a team builder and facilitator, who needs to find a balance between productivity and the employees job satisfaction (Lemak 2004, p.1319).

Mary Parker Follett could be seen as a child of the scientific management era. Throughout all her writings she has changed her understanding of the individual. She started with focusing on the individual as writers of the classical paradigm did. Later she saw the individual mainly as a member of a group (Graham 1993, p.88). These ideas led to what is now known as the group principle which brings out individual differences, integrating them into a single whole (Wren & Bedeian 2009, p.311). Meaning that one person in a group cannot be above the group. This person is in an interrelationship with the other group members. Mary Parker Follett named this circular response. She was convinced that the so called ‘true man’ can only be found through group organization (ibid). This led her to study the organizing activity determining behavior and eventually formulate the basic theory for effective organization: The principle of co-ordination (Graham 1993, p 88). Co-ordination in this context is dynamic: Here the interaction of agents in complex situations precludes predefined (decision) paths. Co-ordination is a process which allows adjustments that lead to effective organization and successful management (ibid). Within this concept she found important aspects dealing with the group to make it more efficient and unleash their creativity (Graham 1993, p.89) and (Wren & Bedeian 2009, pp.313-318):

- **Confronting conflict:** with the goal to find a solution suitable for all group members: a compromise or integration.

- **Power:** for replacing consent and coercion she thought of ‘power-with’ instead of ‘power-over’. This should help to solve conflicts by taking away barriers between ‘order giver’ and ‘order takers’.

- **Authority:** has relations to power. She connected authority to knowledge with the law of the situation where people with more specific knowledge in
a distinct situation are giving the orders and in other situations they receive them.

During the 1930s Elton Mayo revealed the lessons of Hawthorne and could be seen as one who created the foundation for ‘human relations’ theory. He clearly pointed out the power of using social needs as motivating factors a view that can be found in more or less every textbook about human relations (Lemak 2004, p.1318). To this day two assumptions led Mayo to this conclusion (Sarachek 1968, p.189):

- Most men are impelled by their own nature to seek some bases for social alliance and productive cooperation with one another.

- Appropriate alterations in the individual’s current environment can foster improved mental health and individual satisfaction, as well as foster more productive cooperation between individuals and between the groups to which they feel affiliations.

<table>
<thead>
<tr>
<th></th>
<th>Elton Mayo</th>
<th>Mary Parker Follett</th>
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<tbody>
<tr>
<td><strong>Unit of analysis</strong></td>
<td>Administration deals with well-knit human groups and not a horde of individuals</td>
<td>There is no such thing as the individual. Individuals are created by reciprocal interplay</td>
</tr>
<tr>
<td><strong>Source of motivation</strong></td>
<td>Man’s desire to be continuously associated in work with his fellows is a strong, if not the strongest, human characteristic</td>
<td>Duty is never to individuals, only to the whole. Industrial organization must be based on the idea of community. Freedom and self-control come from the group.</td>
</tr>
<tr>
<td><strong>Human nature</strong></td>
<td>Human collaboration in work has always depended on the evolution of a non-logical social code which regulates the relations between persons and their attitudes towards one another</td>
<td>Participation, not consent, is the right basis for all social relations. Human response is always to a relation.</td>
</tr>
<tr>
<td><strong>Focus of managerial attention</strong></td>
<td>If an individual cannot work with sufficient understanding of his work situation, then, unlike a machine, he can only work against opposition from himself</td>
<td>The fundamental organizational problem is the building and maintenance of dynamic yet harmonious human relations.</td>
</tr>
<tr>
<td><strong>Ultimate objective</strong></td>
<td>It is this situation (Hawthorne) – a company committed to justice and humanity in its dealings with workers – that makes morale high</td>
<td>The chief function of business is to give an opportunity for individual development through a better organization of human relationships.</td>
</tr>
<tr>
<td><strong>Role of manager</strong></td>
<td>The communication system in Company C (low absenteeism) was built on patience, listening and avoiding emotional upsets. Foremen had technical assistants so they could devote more time to team leadership</td>
<td>Loyalty is to the work, not the company. Achieve integration. The job, not formal position, is the source of authority. Authority is a process.</td>
</tr>
</tbody>
</table>

Figure 3.2: Main ideas in the behavioral paradigm (Lemak 2004, p.1315)

These assumptions underline his findings that many workers had a much higher interest in keeping up their relations with other workers than severing these rela-
tionships and accepting a financial benefit. This was the discovery of the so called ‘informal work group’. In Mayo’s eyes the industrial organization became more than only a profit-making company. The organization became a vehicle for social change (Lemak 2004, p.1319).

3.2.3 The Systems Paradigm

The systems paradigm as it understood today is based on the concept of cybernetics developed during the World War II. The idea of cybernetics follows the idea of self-regulation which means feedback is used constantly in the same way an animal can adapt or mechanical system be adapted to a changing environment (Lemak 2004, p.1319). Chester Barnard was one of the first who connected the systems theory to organizations with the idea of organization being a system in which two or more persons cooperate (Kast & Rosenzweig 1972, p.448).

The foundation for modern organization theory embedded in the systems paradigm was amongst others described by Katz and Kahn in 1966 in their work *The Social Psychology of Organizations* (Lemak 2004, p.1320). Their key ideas are summed up in figure 3.3.

<table>
<thead>
<tr>
<th>Daniel Katz and Robert L. Kahn</th>
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<tbody>
<tr>
<td><strong>Unit of analysis</strong></td>
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<tr>
<td><strong>Source of motivation</strong></td>
</tr>
<tr>
<td><strong>Human nature</strong></td>
</tr>
<tr>
<td><strong>Focus of managerial attention</strong></td>
</tr>
<tr>
<td><strong>Ultimate objective</strong></td>
</tr>
<tr>
<td><strong>Role of manager</strong></td>
</tr>
</tbody>
</table>

Figure 3.3: Main ideas in the systems paradigm (Lemak 2004, p 1316)

Looking at organization as a system the term ‘open system’ is often used. Kast & Rosenzweig (1972, pp.453-454) criticize the tendency to dichotomize all systems as being open or closed. They understand social organizations including
their subsystems as partially open and partially closed. Further they state that it depends on the situation and certain conditions whether a system should be regarded as opened or closed. While the other two paradigms which could be interpreted as closed systems because of their inward focus, the organization within the systems paradigm can be seen as an open system because organizations are in constant interaction with the external environment (Lemak 2004, p.1320).

Within this paradigm managers have a different role, comparing to the other paradigms. Firstly, their focus is more on interrelationships both within subsystems and between the system and the external environment. They tend to act on a day-to-day basis and use whatever theory or knowledge is available to make decisions. Secondly it is important for them to think in terms of interrelationships, interrelatedness and of course unintended consequences (Lemak 2004, p.1321) and (Kast & Rosenzweig 1972, p.463). Their roles here are those synthesizer and integrator. The synthesizer helps others to see the ‘whole picture’ by explaining trends and the vision of the organization. The integrator in contrast supports people to keep focused on the strategic goal by illustrating how their work contributes to these defined goals.

3.2.4 Summary

Summed up the development from the classical paradigm to the systems paradigm can be seen in the previous sections. The understanding of the individual is here the crucial point and helps to differentiate the three paradigms from each other.

In the classical paradigm with the main idea of ‘scientific management’ the individual was in the focus and understood as a part of a machine that needed a special kind of input to work best. This search for science in management had as one consequence the disregard of everything else but the workforce a human being owns. What led to the difficult work environments during industrialisation where only a high output was of interest.

Luckily the Hawthorne studies caused a change. The personal relationships of everyone in a workgroup or a company gained attention and let to the concept
of human relations which still is an important concept today. This can be seen when investigating the structure of any bigger organisation. Usually there is a department only for 'HR' in which the ideas of human relations are embedded.

Interesting is the last, the systems paradigm. This in comparison to the other concepts is the newest one. The herein concepts are the first to combine the idea of the individual in a greater context - the organization with all its connections and relations in- and external - with psychology. As mentioned earlier the manager here is seen as somebody who helps others to find their way within the so called system. For me this points very strong to the skills and abilities leaders own which will be explained in the next sections.

### 3.3 Important Leadership Concepts and Differentiation from Management

The issue of leadership is difficult. Despite the extensive literature published no clear definition of leadership exists. J. C. Rost examined 587 publications dealing with leadership and found 221 definitions. Other authors underline that the distinction between leadership and other processes such as coordination, respect, loyalty, obedience blurred in many writings (Bass & Bass 2008, p.15).

The view on and the understanding of leadership have changed over the years. In the 1930s leadership was seen as a process where the leader organized people to move in a special direction (ibid). This changed slightly in the 1940s where leadership 'was the ability to persuade and direct beyond the effects of power, position, or circumstances’ (ibid). Until the 1950s leadership was understood as a part of management, highly influenced by scientific management. During this time the group aspect was added to the concept of leadership and leaders in groups and their authority accepted by the group members was of interest (ibid) and (Kent 1999, p.961).

From the 1960s onwards the understanding of leadership came closer to the understanding of today. The means to move others in a shared direction became of interest. But still the terms of management and leadership were used synony-
mously in research literature. One example for this is the work *Leadership and Decision-Making* by Vroom and Yetton in 1973. From the title the reader would expect a study about leadership, yet they speak mostly about management. Even as Zaleznik published a very important article about the differences between leaders and managers this confusion about the terms persisted until in the 1990s Kotter published his work *A force for change - How leadership differs from management* (Kent 1999, p.962).

Kotter assumed that the confusion between leaders and managers stems from associating leadership with a formal position a manager usually has in an organization. Further he presents management and leadership as processes. Here management consists of planning and budgeting, organizing, and staffing and controlling and problem solving. These processes create order and consistency and help to keep an organization on time and on budget which Kotter identifies as the primary function of management (Kotter 1990, p.4).

Leadership does not produce consistency and order. However, it produces movement (ibid). Leaders usually try to change something in the organization they are working for as interviews with leaders show (Ashby & Miles 2002). Often they have new ideas and try to convince people to follow them. But how to measure good or effective leadership? It is not as easy as measuring management where according to the described processes nearly everything is measurable in facts and figures. Leadership is labeled ‘good’ when it moves people to a so called win-win-situation (Kotter 1990, p.5). In general the main subprocesses of leadership are establishing direction, aligning people and motivating and inspiring. There are, however, similarities within these two terms. Both are focused towards the future and try to ensure that the work is getting done by making appropriate decisions (ibid). Bennis & Nanus (2007, p.20) point out the difference in this way: ‘Managers are people who do things right and leaders are people who do the right thing’.

Another differentiating attribute is the direction of these processes within a formal organization as for example a line organization. Management is clearly a top down process that communicates the set goals of the company in combination with the given budget and time limits. The direction of leadership, by contrast,
cannot easily be described. It is defined by a relation or interaction between leader and follower (also called the led). This definition is build out of six characteristics (Bass & Bass 2008, pp.21-23):

- **Leadership as a process**: Exchange and/or transaction between leader and follower where the roles are interchangeable and one is influenced by the other.

- **Leadership as a power relationship**: Here power could be referent, reward-base, expert, legitimate or coercive and leadership is seen as a relationship were one person is perceived as having the right to define directions.

- **Leadership as a differential role**: The role of a leader is defined by differentiation from the other group members because the leader was lifted up by the group.

- **Recognition of the leader by the led**: Leadership is only possible, when leaders are recognized by the followers. This implies a lot of face-to-face communication.

- **Identification with the leader**: The aspirations of the leader can only become those of the followers, when there is an emotional connection between them.

- **Leadership as a combination of elements**: Stands for the effort to unite the diverse attempts of several authors to define leadership more precisely.

These ideas show that leaders can only exist if there are followers who recognize them as such and accept that they are led. Of course these roles may change depending on the situation, the knowledge and the personality of the persons involved. This means that the leader can be a follower in another situation and the follower becomes a leader. A typical situation for this could be when the head of a department needs help by an expert to solve a problem. Usually the head of the department is thought of to be the leader, legitimated by hierarchy and acceptance of the subordinates. However in this situation the expert with her own
special knowledge is leading the head of department when they try to solve the problem.

Figure 3.4 shows the possible ways leadership and management could take within an organization. It becomes clear, that in management the way of the process is very static and does not change its direction at all. The ways of leadership are different. Here the arrows connect everybody with everybody and it does not matter in which position the people are located and the structure might remind one of informal relations within an organization.

![Diagram of leadership and management paths](image)

Figure 3.4: Paths of leadership and management within an organization

The most well known concepts of leadership might be those of transformational and transactional leadership described by Burns in 1978 and of transformative leadership by Bennis and Nanus published in 1985. From their considerations it became obvious that leadership should not be seen as subprocess of management, but rather as ‘a process that raises the consciousness, motivations, aspirations, and values of both leaders and followers’ (Kent 1999, p.964).

The next sections briefly present the main concepts of leadership with the aim of finding differences and similarities and getting a broader understanding of the term leadership today.
3.3.1 Transformational and Transactional Leadership

The terms transformational and transactional leadership were first presented by James MacGregor Burns in his work *Leadership* in 1978. The salient point of transactional leadership is the exchange between leaders and followers, where leaders are superiors and followers subordinates. Here the leader’s influence is based on the assumption that it is best, if hierarchical order is maintained, following the idea that the superior gives something that the subordinates want (for example, better workplace, more freetime, salary increase) in exchange for something the superior needs (for example, higher productivity or conformity to standards) (Humphreys & Einstein 2003, p.85).

Burns (1979, pp.19-20) describes his concept of transactional leadership as follows:

‘Such leadership occurs when one person takes the initiative in making contact with others for the purpose of an exchange of valued things. The exchange could be economic or political or psychological in nature: a swap of goods or of one good for money; a trading of votes between candidate and citizen or between legislators; hospitality to another person in exchange for willingness to listen to one’s troubles. Each party to the bargain is conscious of the power resources and attitudes of the other. Each person recognizes the other as a person. Their purposes are related, at least to the extent that the purposes stand within the bargaining process and can be advanced by maintaining that process. But beyond this the relationship does not go. The bargainers have no enduring purpose that holds them together; hence they may go their separate ways. A leadership act took place, but it was not one that binds leader and follower together in a mutual and continuing pursuit of a higher purpose.’

In contrast to this he formulated transformational leadership:

‘Such leadership occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality. (...) Their purposes, which might have started out as separate but related, as in the case of transactional leadership, become fused. Power bases are
linked not as counterweights but as mutual support for common purpose. Various names are used for such leadership, some of them derisory: elevating, mobilizing, inspiring, exalting, uplifting, preaching, exhorting, evangelizing. The relationship can be moralistic, of course. But transforming leadership ultimately becomes moral in that it raises the level of human conduct and ethical aspiration of both leader and led, and thus it has a transforming effect on both’ (Burns 1979, p 20).

When comparing these two ideas it is obvious that transformational leadership places much more emphasis on the behavior of leader and follower including their thoughts on moral values and their personal beliefs (Humphreys & Einstein 2003, pp.85-86). Further the relationship between leader and follower becomes much more important within transformational leadership. Here leaders have to be more skillful in recognizing the motives of their followers and anticipating their actions in distinct situations. Of course the leader has the major part in keeping up and effectuating the relationship with followers. However within transformational leadership leaders ’address themselves to follower’s wants, needs, and other motivations, as well as to their own, and thus they serve as an independent force in changing the makeup of the followers’ motive base through gratifying their motives’ (Burns 1979, p.20).

### 3.3.2 Transformative Leadership

This concept introduced first in 1985 by Bennis and Nanus also acts on the assumption that leadership is a kind of transaction between leader and follower who should bring out the best in each other. Their concept comprises four strategies:

- **Attention through vision,**
- **Meaning through communication,**
- **Trust through positioning,** and
- **The deployment of self.**

The first strategy *attention through vision* (Bennis & Nanus 2007, pp.26-30, 80-101) is about creating focus for people within an organization as well as for the
organization itself. For this leaders have to find a suitable and reasonable vision that is capable of making the employees believe that they are able to reach the set goals. This makes people confident and strong. But for doing this leaders need to have special skills (for example being a good listener) and they must be willing to pay attention to others. Another very important thing is the communication part. A vision built up on shared values is just as good as the ways of communication. Here leaders have to search for commitment by the followers. This is only possible if they are present and willing to answer upcoming questions anytime and from every direction. Within this strategy leaders may become part in the process of building up a new social architecture in the organization.

The second strategy meaning through communication (Bennis & Nanus 2007, pp.31-40, 102-140) focuses on ways to communicate the visions and asks how to get people aligned behind the goals of an organization. Here the leader has to be a social architect with the capacity to influence the members of an organization and to organize meaning. It is crucial that through the leaders’ interpretation of reality a vision is shared in such a way that the followers are able to understand what is expected of them and why. Using metaphors for this seems to be a good way to attract attention in this environment. Whithin this strategy Bennis and Nanus describe three tools for the social architect: creating a new vision, developing of commitment for this new vision and institutionalizing this vision. However these tools can only be used as intended when the leader is present, has a stay to the word approach and is last but not least authentic.

The third strategy trust through positioning (Bennis & Nanus 2007, pp.41-51, 141-174) understands trust as a measure of the legitimacy of leadership that must be earned and as a the glue that keeps up organizational integrity. Following this concept leaders have to position themselves. This means that they have to be explicit by implementing the vision or in other words they have to stay on the course by leading through example and living their ideas. In all this, leaders need to keep in view the organization as a whole, which defines its integrity and identity.
Building up trust is a long time process within the leader has to show special skills as competence, integrity and mutual respect. Usually the implementation of new ideas or visions is connected with change and it is crucial to deal with the fears of the members and to overcome uncertainty.

The last strategy the deployment of self trough positive self-regard (Bennis & Nanus 2007, pp.52-63, 175-199) deals with the learning process of the leader embedded in the organization and the learning organization. Even if leaders know their worth they are, sometimes without recognizing, lifelong learners. They learn from experience and mentors in- or outside the organization. Apart from that it is important to constantly aquire a positive self-regard building up a balance between personal strenghts and organizational requirements. Typical personal strengths are self-knowledge, willingness to take risks or challenges, persistence and consistency. When it comes to the learning organization it is an innovative way of learning containing the reinterpretation of company history, analytical processes, training and education, experimentation and discarding old knowledge. Leaders can encourage the members of an organization in increasing learning behavior by rewarding it, when it occurs. If this is working open organizations can be designed that are both participative and anticipative.

The aim of the authors with their concept might be on the one hand to guide the attention towards leadership and their conviction that leadership is learnable, on the other hand point out the importance of empowerment. This helps organization members to ‘generate a sense of meaning in their work and a desire to challenge themselves to experience success’ (Bennis & Nanus 2007, p.203).

3.3.3 Servant Leadership

In his work Servant Leadership, first published in 1977, Robert K. Greenleaf understands the role of a leader as that of a servant with the inward desire to serve the organization an its members. He differentiates the ‘normal’ leader from the servant-leader in the way that most leaders first try to establish leadership and then ask how they can serve while the servant-leader would act in the opposite
order. However the first-leader and the servant-first are extreme types. In real life we would expect to find different mixtures of these types, according to the variety of human nature (Greenleaf & Spears 2002, pp.27-28). Greenleaf and Spears further describe leaders as people who provide ideas and structures and risks where there is a chance of success, leading other people on a sometimes uncertain and dangerous path. They assume, if leaders were successful in building up trust other people will follow them (ibid, p.29). Like other authors Greenleaf and Spears acknowledge the paramount importance of a vision connecting the immediate goals (ibid, p.30). They also observe that leaders can make people to follow them only if they have confidence in their competence and values and are able to create excitement to move their people to work for something they can be proud of (ibid).

Greenleaf & Spears (2002, pp 30-42) further describe skills and abilities this kind of leader should combine:

- **The skill to be a good listener:** This skill enables leaders to get to know problems without asking directly. The skilled listener can make a follower respond automatically.

- **The skill to create meaning for the follower:** Leaders should be able to connect the things said to the experiences the follower has. Prerequisites for this are good communication skills and an appropriate use of language.

- **The skill to find out what is important:** Leaders have to constantly face different situations. They need the option to withdraw themselves for reorientation to find out what they can achieve in order not to exploit themselves.

- **The ability to accept others and to have empathy:** Characterizing for servant-leaders is that their emphasis is on people, accepting rather than rejecting them, even if they cannot accept their performance. They aim to make these people better.

- **A special sense for future events:** The future is usually unforeseeable and unknowable. However leaders have a reliable intuition helping them to in-
interpret the present to find realistic opportunities in the future.

- **An open attitude:** Meaning an awareness for everything that is going on, giving the leader a chance to deal with insecurity and stress or rather giving them confidence to face the unknown.

### 3.3.4 Summary

As can be seen the different concepts have some similarities, for example that they attribute special qualities and skills to leaders. The main overlappings might be that these authors all describe a process starting with defining a vision and derived goals for an organization. The next step contains the variety of communication skills such as being a good listener, communication through action, being a role model, being a translator or a sensegiver. With the help of language or/and behavior the followers should be inspired with the aim to make them want to follow the leader in the set direction even if they do not really know how the possible future might look like. Here metaphors are often used to create excitement and to create a kind of mindimage that drives everyone to follow.

Especially Bennis and Nanus and Greenleaf point out the importance of inner strength a leader must have to communicate the visions. This self-confidence helps leaders to have a positive view finding solutions for nearly every problem trusting in their own values and beliefs.

Interesting might be the increasing empowerment of others over time. Burns and Greenleaf published their work in the late 1970s. They advise leaders to listen to their follower’s needs for creating a good relationship and to bind them in a positive way to the organization. Bennis and Nanus, about 15 years later, saw this as a requirement to be accepted as a leader. However, they focused on empowering the follower to become a leader as well, maybe not in a formal position but in an informal sense within the organization.
4 The Cases

Presenting five leaders from different contexts this chapter aims to connect the theory and a more practical aspect. These small cases are meant to highlight how German executives perceive and understand both; leadership and management and how they position themselves within those coordinates. Their background and development is of interest because most of them had no business education during their studies. But as mentioned in chapter three leaders often have experiences other than their studies, role models for example or they simply learned autodidaktiv. In this context, the importance that Shamir & Eilam (2005) assign to life-stories for the development of leaders. This let me assume that the perception of both terms depends very much on the background of the individual person.

The next sections present briefly the background of the dialogue partners and their opinions about management and leadership in their individual working environment.

- **Dirk Bissinger**: Member of the Board of the German Live Saving Association DLRG e.V., responsible for education.

- **Karl Heinz Bloemeke**: Professor for Conducting, Hochschule für Musik in Detmold.

- **Alexander Joel**: Generalmusikdirektor, Staatstheater Braunschweig.

- **Stefan Krawinkel**: Head of Engineering Department Electromechanical Components Chassis, Volkswagen AG.

- **Sven Streiff**: Managing Director, Setron GmbH.
4.1 Dirk Bissinger: Member of the Board of the German Live Saving Association, DLRG e.V.

Dirk Bissinger began his ‘career’ in the German life saving association as a child with the goal to learn swimming. At that time it was obligatory to become a member in the association for taking part in a beginners swimming course. He absolved several swimming courses after this and remained in the organization until today where he is second representative for the area of education.

Youth work had a high status within the group located in Wiesbaden and the rescue service was strongly connected to this. This was the reason for him to become a livesaver at the Rhine. After returning to this region from military service he decided to get involved with the location group and became youth leader and technical leader at the same time. Further he passed the exam for education in the association.

At the age of 22 he focused on education in several areas like live-saving, classical swimming education, boating and civil protection, and became multiplicator at the federal state level. His first contacts to the national board were around 1997 with a project of life-saving education for the Lufthansa. In 1998 the board was restructured and he was asked if he could imagine to work in this environment. It is common practice with the DLRG that ‘new blood’ is recruited out of their own ranks, thus ensuring knowledge about the structure, the culture and the behavior in the organization. The aim of this re-organization was to have two responsible heads, one older with a lot of experience and one younger with a lot of curiosity who would later be the first representative of the education department.

The main task for this section is education. It covers for example beginners swimming, life-saving and boating for learners as well as for trainers and multiplicators. His current place of residence is in Austria because of changing the company he is working for, but he is still working within this position at the DLRG.
For this function it is advantageous to have completed the stages of a trainer/multiplicator since this ensures a direct knowledge of processes and difficulties encountered and expectations to be met. The keyword mentioned here is competency combined with authenticity. Dirk Bissinger argues when telling people how to teach swimming, it might be better to have experience as a swimming instructor. Further it is important to have free time resources for being present in monthly meetings. He states that it became more difficult since he moved to Austria but fortunately many things can be discussed on the phone, via skye or by e-mail, however nothing is better than personal contact. This gives the opportunity to maintain the personal network and allows a direct exchange of thoughts and experiences.

Interesting in this kind of education is that all trainers work voluntary, that means nobody is payed for their work. This makes the DLRG e.V. special in comparison to other life-saving associations. How is it possible to motivate thousands of people to teach others in swimming? Dirk Bissinger says typical paths people follow to become trainers are firstly, young people who are very fond of life-saving and want to do more than just the life-saving service at the sea, or secondly, parents who accompanied their small kids having the first experiences with water thinking they could be of some help. It is not easy to motivate both groups all over the time of becoming trainers. So one of the main tasks for him is to find concepts within education that might help to overcome motivation gaps caused by boring parts during the continuous process of education.

The finding of new concepts needs skills as creativity, open-mindedness, authenticity, to motivate oneself and others and finally goal-oriented, especially when combining new ideas with already existing guidelines. To find out, if the implemented ideas really work he seeks feedback by visiting local groups as an ‘external’ listening and observing carefully.

What he likes most about his work is the challenge of seeking for new options to improve education. This covers the whole process; developing an idea, finding options to implement it, implementation, getting feedback and finally thinking about further projects. Visions are very important in this context. The current
vision of the organization is to halve the sum of drowned people until 2020. This vision helps to keep focused to motivate other members to reach this goal and to increase creative thinking.

Another issue, he mentions, is the bridge between voluntary work and the normal job. He is responsible for quality management in the pharmaceutical industry and is convinced that the knowledge and experience he gained in his every day work is of help in the voluntary work, as well. One example is riskmanagement. When the association first encountered this term it was already en vogue in companies.

Another example is to help young trainers with dealing with problems of insecurity when they have to deal with older and more experienced co-workers as well as with a horde of children who would not do what they are told.

What, then, motivates someone to put in all this effort without the prospect of monetary reward? Dirk Bissinger believes in the happy faces and positive feedback from participants when they get their swimming badges after completing the swimming course or again later when these kids become trainers themselves and say ‘I try to train others like you trained me.’ That makes one proud and shows the appreciation of the own work by others.

He perceives management as all actions ensuring an effective working process. With products this includes everything from the development over producing until it could be sold successfully. With people it is primarily about the question how to motivate them to be an active part in this production process. He thinks that management and leadership are not separated strongly in German language. He understands leadership as an important part of management. However he points out the main task in leadership might be knowledge as a foundation combined with the ability to inspire others and the skill to diminish anxiety.

Further he argues that if one is only a manager the task is done only to a standard level without emotion, motivation and creativity. A leader instead is able to make people leave their comfort zone with trust, authenticity, open-mindedness and suitable communication.

Finally the measure for the success of a leader might be the success the led
have and whether they are able to think out of the box using and enhancing their potentials.

4.2 Karl Heinz Bloemeke: Professor for conducting, Hochschule für Musik in Detmold

In his family it was typical to become teacher or businessman. As a child he learned to play the piano and decided later to study music with the purpose to become a music teacher at school. These studies were the cornerstone of his general interest in teaching. After passing the first state examination Karl Heinz Bloemeke gathered first experiences in leading choirs and orchestras. Fascinated with this experience and his work at the local theater, where he played and arranged stage music, he decided to change the study subject to become a conductor. He knew that he had to study a lot and tried hard to catch up all the missing knowledge. Although he never passed the final exam, he nevertheless got an offer to conduct as second musical director at the theater. After three years he became Kapellmeister in Coburg. This title helped him to get access to more interesting jobs and at the age of 27 he was second Kapellmeister at the Staatstheater Darmstadt. Further he received offers to conduct other orchestras in Germany as a guest conductor. At the age of 31 he was Kapellmeister at the Nationaltheater Mannheim where he worked for five years. There he conducted nearly all operas and in parallel he worked together with young orchestras.

The reason for thinking about teaching in Detmold was the retirement of his former professor located there. The direct succession failed and the job was free. So Karl Heinz Bloemeke was asked by his former professor to apply for this job. At that time he was 34, much too young for being a professor but he appreciated the idea of working together with young musicians and passing on his experiences. However he first applied for the job of the kapellmeister at the Staatskapelle Ham-
burg. This application was without results and he decided to apply for the chair in Detmold. Even without having a degree in conducting his application was successful and at the age of 35 he became the youngest professor in Detmold.

For him this change happened at the right time. He had to decide if he wanted to go for a lot of pressure in the 'conductor business' or to work continuously with others on music. The last option suited him better and today he is working together with students and young orchestras and left the theater with wonderful memories.

He very much enjoyed this now new kind of work, especially the fact that students who put a lot of work and time in their studies and finish the degree with good results usually get a job. This still makes him very proud. Essentially for this success he points out the importance of being present and being available for the students. One of the principal elements in the education is to teach the students to conduct properly that an orchestra is able to understand the movements. This is about finding the right tempo and measure for the movements with hands and arms. The ability to conduct with the right technique is very helpful to make an orchestra play together and that the musicians follow the conductor. Usually an orchestra wants to play. The musicians do not appreciate it to be interrupted. You need an appropriate reason to do so, he points out. Essential for working together is the creation of the first note played together. Karl Heinz Bloemeke is of the opinion that if the challenge of this creation was successfully the rest will work as well.

He sees management in a conducting situation as the organization process that makes all musicians play together, having in mind that everyone of them is a specialist on their instrument. If this works the basis is created, if not everything that follows will never exceed the individual standard sound of the orchestra.

Karl Heinz Bloemeke connects leadership with the aspect of working on the sound and the expression of a piece. For this the conductor needs an idea or a vision how the piece should sound. This is then communicated to the musicians who know how to create the sound on their instruments. The conductor must have trust in the musician’s abilities and respect every one of them even if they
sit in the last row. Of course the conductor needs self confidence that helps him to communicate the ideas.

A professional orchestra aims to excel and together produce a more beautiful sound. This they ask conductors for and they have then to accept the suggestions given by the conductors. The art is to motivate over 50 people at the same time and to make them follow. This, he suggests, is possible by building up trust, exhibiting knowledge, clear communication, authenticity and availability.

Summarizing Karl Heinz Bloemeke is of the opinion that management represents the process of organizing to be able to play together which is the base for leadership when the sound is made beautiful.

4.3 Alexander Joel: Generalmusikdirektor, Staatstheater Braunschweig

Alexander Joel started his career as a conductor in 1990 when he studied piano at the Vienna Academy of Music. His fascination with conducting grew continuously from his early childhood, when he enjoyed several visits to the opera, until today. He learned how to play the piano and later the violin. He entered law school, however, but later decided to apply for conducting after catching up on the learning matter, and passing the entrance examination.

Over the Deutsche Oper am Rhein in 2001 and the Wiener Volksoper he became Generalmusikdirektor at the Staatstheater Braunschweig in 2007. He regularly conducts renowned orchestras as for example the DSO Berlin, the Deutsche Kammerphilharmonie Bremen and the Staatskapelle Dresden.

When thinking about his work as a conductor today, he enjoys such rehearsals and performances most, where he together with great artists and orchestras could work in full flow. In addition he mentions the continuous learning process with new
partitures and the thrill when he conducts an orchestra without rehearsals within conducting engagements.

A challenge is the time pressure and it is not unusual that only four to five rehearsals take place before a performance. That enforces an effective use of time. Alexander Joel points out the necessity to think quickly and fast decision making. It is always a conflict between the shortness of time and the creation and quality of sound. The work includes technical work like improving intonation and the work on the sound. The latter is only possible with the correct technique. The sound needs more inspiration. He usually describes the idea of sound he has in mind, for example as light as a sunset, and trusts the musicians to figure out how to produce such sound. This needs a lot of concentration and he has to find the right balance between just playing through a piece and the work on it. If they just play through the piece of music the musicians tend to get bored, so it’s his job to raise their attention.

Thinking about management and leadership he describes his work as a mixture of both. On the one hand he has to present an interpretation that fits his vision of the sound and with this inspire the musicians. Additionally he has to organize, to build up structures and of course he has to conduct correctly. All this together builds up trust in the musicians because they feel safe and get the impression that the conductor knows what he is doing. On the other hand it is important to include the musicians into this work process, especially soloists and concertmaster are of great help. They know how to produce the required sounds on their instruments. Here a conductor has to trust in the experienced musicians. Without that trust, he points out, it would not be possible to work together and the whole performance would never reach a distinct level.

However sympathy plays a big part, especially when getting to know and conducting an unknown orchestra for the first time. If the chemistry is wrong, the whole process becomes very hard for both sides. Therefore he learned to find out very fast how the orchestra functions and who plays important (informal) roles and then adapt himself to this situation.

For him management and leadership do not exist separately. The two terms
are strongly connected to each other. But he is of the opinion that management comprises the more technical aspects and in contrast to leadership has no heart. In his work he never thought about these things he simply conducts with all his heart trying to win the musicians over by being diplomatic. He compares his position with that of parents, who also have to create a framework for others.

As a final note he argues that failures or making mistakes is a very good experience even if the situations are very difficult but to overcome these difficulties makes one stronger and helps to reflect one’s behavior and decisions. Being successful all the time is much too easy. Important is that one learns from mistakes and never gives up.

### 4.4 Stefan Krawinkel: Head of Engineering Department

**Electromechanical Components Chassis**

Stefan Krawinkel had his first working experiences as industrial mechanic. Later he began to study with the aim to become teacher at a technical school. However, by accident, he got a part time job at the institute for polymer materials and processes. There he finished his studies and went for a PhD but after two years he quit because the work in an industrial firm was much more attractive for him. He got a job at the Volkswagen AG as constructing engineer related to polymer materials. In 2005 he got his first position with managerial responsibility.

Since 2010 he is located in the lower management circle in the same company and is there responsible for three fields combined in the department of electromechanical components chassis with 27 employees.

He affects the collective work and the challenge of finding answers for technical questions. Apart from other parts of his work that deal with finding new strategies and the concerns of human resources. He tries his best to develop new ideas and
communicates them to the co-workers.

As a child he perceived managers as evil who were only interested in monetary gains, and who took advantage of others, and were not productive at all. He really disliked them and meant never to become a manager himself. Today his mind has changed and he thinks of managers as people who try to solve nearly all kinds of organizational problems and delegate work reasonably to employees with the goal to fulfil the set goals.

One of the main tasks within this is to encourage people to solve their problems themselves, maybe with the support of him. He uses the metaphor of a football trainer: The trainer can train and teach the players, but in a match they have to score the goals and he has to stand aside and can do nothing apart from shouting short advices. But he is judged by number of the goals the team shot. He puts the human being in the center. Without people a firm cannot exist so they deserve respect, trust and help.

He considers it his job as a manager to ensure that his employees have all the resources needed to work efficiently. This means for him to act sometimes as a father figure that is firm yet and at the same time caring, being a good listener, figuring out compromises and having respect for the individual.

Stefan Krawinkel is of the opinion that management and leadership are not easy to separate and interprete leadership as an important part of management. It is maybe the positive influence of people where it is crucial to be authentic and to have own visions that can be passed over to employees. Further successful leadership needs an open-minded view and the courage to take some risks and to be available and present for the followers. He argues that a mixture of expert knowledge, social skills and passion might be ‘unbeatable’.

Concluding he describes a shift of behaviour in his environment: Managers with long work experience tend to lead through power, fear, control and narrow guidelines. Younger managers recognised the human being in the center of all and adapt their individual management style to this. He evaluates this shift as very positive and trendsetting.
4.5 Sven Streiff: Managing Director, Setron GmbH

Sven Streiff grew up in Braunschweig where he absolved school and entered University. With a high affinity to technical issues and the influence of the family firm he decided to combine business administration and mechanical engineering and studied industrial engineering. After some semesters in Sweden and China and being trainee at Siemens in Shanghai his way lead back to the family firm. In 2010 he took the position of the directing manager at the Setron GmbH whose core business is the development and distribution of technical prefabricated parts. During his studies he followed the development of this firm with high interest and could imagine to assume responsibility for this company after his first professional work experiences.

His personal goal for the company is to stay profitable in the long run for guaranteeing a slow but continuous growth and the safety of jobs. With this idea in mind all other visions are derived. Sven Streiff points out the importance of developing suitable visions; they should fit to the company and they must be viable.

People take centre stage he explains. A lot of his every day work deals with finding solutions for employees. This brings along to have a lot of different roles at the same time; in one situation he is a mentor and in another he has to be the decision maker, but these are just a few examples. Exactly these constant changing requirements make his work exciting and interesting and taught him to react very fast in different situations. His personal interest is to work within networks and to find the potentials of his employees for finding the right place for them with the intend that his co-workers feel comfortable and are able to work effectively.

When he reflects on management and leadership he states both must be present and it is not easy to differentiate, he would, however, subsume leadership under management.
Management is in his eyes a toolbox, with tools such as controlling or planning, suitable for designing the structure of an organization. Further management for him is very physical as the hardware of a computer. Leadership would then be the software that makes the hardware run properly. But for leadership he argues one need skills, even if leadership can be learned. He measures empathy as the most important one, others are as respect for other people and of course authenticity. These are abilities that make people trust in one’s decisions.

However it is further important to be good to oneself. Having a work-life balance is just as important as having passion for the work one is doing. Concluding he points out the importance to follow the own way and a self-reflecting attitude on the one side and listening to others and the ability of being honest to oneself on the other, are the keys to reasonable decisions in life and at work.

4.6 Summarizing the Dialogues

First of all I tried to find participants who have different backgrounds and who are working in different environments. The majority of the here presented leaders have had not management education. They are highly specialised in their fields of knowledge, for example engineering and music.

From this background it seems to be logical that the participants do not differentiate the terms of management and leadership clearly from each other in their every-day work. In general they shared the opinion of leadership being a part or a subprocess of management and that one without the other cannot work efficient.

Interesting is that they all have an idea of a possible differentiation when they were asked for an own definition of the two terms. The first, management was understood mostly as the basement for leadership, dealing with the organisational processes, as for example, planning of resources, people, time, and money. Further it was interesting that the dialogue partners seem to have an understanding of management which is related to the classical paradigm and the fourteen principles of management introduced by Henri Fayol. One reason for this could be that most of the modern guidebooks for managers or effective management still refer to
the classical theories of management. Another reason might be that management in work-life is often connected to facts and measurable figures which means that components as psychology and most of the informal processes in a company are more often disregarded because they cannot easily be measured. However, the second reason is as well strongly connected to the ideas of scientific management.

When the participants were asked, secondly, to describe their understanding of leadership they came up with very clear ideas about what they connect with this term. Interesting was that the general idea was more focused on a continuous relationship between them and their followers. From this I conclude that the transactional approach which focuses mostly on distinct situations where leadership is needed and understand leadership as a kind of trade, is not the appropriate concept for long-time relations between leaders and followers in a firm. The other in chapter three described concepts might fit better when I review the skills and abilities leaders need mentioned by the dialogue partners. The most mentioned skills were the communication and listening skills in combination with creating visions. The close relation between these skills was explained by the participants in the way that visions can only be shared if one is able to communicate and to embody them in a passionate way. Here again the next relation is visible: if leaders are able to communicate a vision they are usually self-confident and able to create trust for themselves and others, what in my opinion needs critical thinking and self-reflection towards the own behaviour.

Especially trust is important. Followers seek for an environment in which they can do their work without the fear of losing their jobs or difficult executives they cannot deal with. This points in my opinion directly towards the ability of being authentic. I understand this last ability as the result of the combination of all earlier mentioned skills and abilities related to leadership. This is highly influenced by statements of the dialogue partners when they described their own behavior of being available for their co-workers and open-minded for their ideas, giving direct and honest feedback.

However all this mentioned skills, abilities, and qualities show that not only one of the in chapter three described leadership concepts is used. It seems that
the individual leadership styles of the participants follow mostly the idea of the transformational leadership with some relations to transformative and servant leadership.

The connection, however, between the two terms of leadership and management was described in the following way: Management is the base for everything that follows. When the organization of processes or the basic techniques are missing leadership cannot enfold its beauty. One of the conductors described management as to play in the right tempo and intonation and leadership as the beauty of the created sound.

This comparison shows clearly the strong connection between both management and leadership in which the dialogue partners all agreed: Management and leadership cannot exist without the other.
5 Conclusions

Here at the end of my thesis I realize that I did not expect the big similarities between the understanding of management and leadership, especially the I would say non-existing differentiation of the two terms by the dialogue partners. However, it was interesting to see when they were asked for giving an own explanation of each term that they came up with definitions very close to the earlier presented concepts of management and leadership.

A second unexpected finding was the strong connection of management with the ideas of scientific management and that leadership was seen as an important part of management.

The matter of leadership is much more connected to the human being as the employee with its needs and personality. All of the dialogue partners agree on the importance of respecting every person as they are but also the preset guidelines every member of an organization has to follow. The idea that the employees follow these guidelines is dependend on the trust they have in their leaders. In this issue they argree further on the importance of authenticity for building trust, for which strong visions are crucial. Only to have them is not enough, however. Strong communication skills are needed, they include not only the ability to communicate own ideas but also the ability to listen to others. Other skills and qualities connected with leadership that were mentioned are being self-reflective, fast-thinking, willing to learn, open-minded and passionate.

When comparing this a lot of similarities to the presented leadership concepts can be found. But as mentioned by nearly all of the participants it is not easy to differentiate leadership and management. Usually both is needed at the same time in different weights. Often management was described as taking place before
the real work could be done, for example time-planning or to find the right interpretation of a symphony while reading the partiture. Leadership was perceived as the more creative part that could begin when the technique is mastered. Here the expression by Alexander Joel is interesting, describing that the work on the sound is only possible when the orchestra is able to play in the right timing and the conductor conducts right.

These findings lead me to conclude that leadership without management is not possible and vice versa and that in normal work-life both is present at different levels depending on the task to be done or the situation in general. Kent (2005, p 1013) underlines this in his article *Leading and managing: it takes two to tango* by writing ‘the two processes must work together and reside within the same individual’. I would describe it in the way that no process can work efficiently without the other.

Such a conclusion does, however, call into question my starting point. Can management be differentiated to any useful degree at all especially when taking into account practical experience? Should every executive know about the theoretical differences or is it much more important that they follow their instincts and listen to their inner voice? Maybe this is a question for another scientific work. But after reviewing the dialogues I came to believe that it is more important to speak about how leaders in real life perceive the differences and to raise the attention to the human being as a whole rather than to read about the theories.

Further I observed during the dialogues that all of the dialogue partners followed their own way led by an own personal vision found in their early years and adapted over the years. Some say they were lucky they met the right people at the right time in the right place. But even failure was seen as the opportunity to grow. It is this positive attitude and the contentment in general that really impressed me.

This thesis was indeed a journey and when I compare it to playing a piece of music, it was a difficult one. First I had to find the ‘right’ one, then I had to find the background of it, the right musicians and of course I had to practice a lot. The dialogues I perceived as the performance in which firstly, I was able to create a comfortable atmosphere for my dialogue partners, and secondly, I
learned a lot, especially how important it is to follow one’s own way. But also I think I was able to spread a little of the idea of the difference of leadership and management and that leadership is at least as important as management. Karl Heinz Bloemeke mentioned that he now has something new for his students. Both the learning process and the sharing of knowledge showed me that I was able to be an observer during the dialogues.

Finally I would like to suggest two more questions for further research. The first ‘How would executives with a non-western educational background understand the difference between leadership and management?’ aims towards the eastern cultures which I suggest might have another opinion about the very western concept of management. The second deals with the ‘how’. How could the difference and the importance of leadership be implemented in every-day worklife, especially in big companies? From my point of view possible techniques could be coaching or mentoring which empowers both: Leaders and followers.


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