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## **BALKANIC TYPE OF LEADERSHIP AND ITS CHARACTERISTICS**

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### **Abstract**

In the Balkan Peninsula region post communistic countries are in the period of transition on their way to EU integrations. This process is long and with many problems comprehended. In these conditions specific type of leadership is developed. The authors of this paper refer to the leaders of this type by naming them: "Balkan type of leaders-Balkanians", with their particular characteristics. Having in mind wide market region, where almost 100 millions of customers live, this type of leadership could have its global importance. Especially important is the fact that the elements of this type of leadership will remain in this region for a very long time.

*Keywords:* Leadership, Characteristics, Balkanic type of leader, Balkan.

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### **1. INTRODUCTION**

Leadership is the phenomenon which begins to be seriously investigated in the first half of 20th century in the studies conducted by K.Lewin and R. Lippitt [1] and later R. Kohn and D. Katz [2]. By the end of twentieth and beginning of twenty first century this phenomena attract number of investigators because of the fact that leader knows how to lead people, knows many arts

of modern management and provide results to the organizations he leads [3].

Numerous investigations indicate the fact that organizations are even more approaching to the organizational leadership development as their comparative advances. Mc Call et al [4] considered that team work is the base for developing the leader qualities and improving business performances, which are often regarded as team performances [5].

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Modern business results are often considered as learning new management skills and team work, impelling has synergetic effect on the results of creative work according to Kim et al [6].

Authors of [5] debated on individual differences and organized forms of leadership process where complexity of leadership process, as the result of individual differences of people involved, was clearly indicated.

Studying behavior and operational mode of the leader some prototypes were defined: charismatic, authentic, transformational (transitional), unconventional, transformational-transactional and other [5]. Mumford [7] specially studied development of creativity dependent on the process of idea evolution until implementation, where leadership process has special importance.

Leadership process complexity, which is result of every man complexity and his interaction with the environment, determine many of leaders subtypes characteristic for certain specific parts of the world.

In this paper an attempt is made to indicate one typical region in Southeast Europe - Balkan region (Romania, Bulgaria, Albania, Serbia, Montenegro, Bosnia and Croatia) ,which presents the market with approximately 100 millions of customers, and new type of leaders which appeared during the last ten years, after beginning of transitions resulting from overthrowing communist autocratic regimes in this region. The authors of this paper believe that it is appropriate to name this type of leaders "Balkan type of leader", according to the region where it was developed during the years.

## 2. BALKAN CONCEPT

Balkan Peninsula is in Southeast Europe and during past years, the countries of this region all had storming history. For the period of 500 years most of this region was under Turkish occupation and small part was under protectorate of Austro-Hungarian monarchy (e.g. Croatia). Wars for liberation were long and continued during nineteenth century, resulting with destructive changes on every 40 years average, which led to slow development of the region.

Serbia presents a curiosity which participate all the wars and, as a rule, had strongest opponent: during nineteenth century Turkey; Beginning of 20th century Austro-Hungarian monarchy; 1941-1945 Germany and in 1998 NATO alliance. Customary, all defeats in those wars local politicians declared victories.

It is not perchance that this region was named Balkan, according to good of war in Hellenic mythology. In modern English, word Balkan means: "Partition of larger territory on small regions, with resulting regions staying in antagonistic relations during the long period of time".

In the period after world war two (after 1945), SSSR had strong influence on Balkan countries resulting with dictatorial communist regimes: Romania (H. Chausesky), Bulgaria (T. Zivkov), Albania (E. Hodza), Former Yugoslavia (J.Broz). In those mono partial communist regimes there were no changes allowed. Centralistic management of public economy, according to determined rules in the conditions of closed market, developed class of managers, recruited from the communist party staff, and trained for this system of managing. Many performances of those managers were positive because they had been trained and

closely controlled by the party agencies.

After the fall of the Berlin wall (1989), unification of Germany and collapse of SSSR, democratic changes started in all Southeast Europe countries including countries of Balkan region. Unfortunately, disintegration of former Yugoslavia wasn't peaceful. It began with merciless war among recent neighbors and finished after NATO bombing of Serbia.

In the Balkan countries today, after multi partial political system is formed (around ten parties participate in government and on political scene averagely twenty parties are active) during period of transition, public property remained and all the managers were replaced since executive position are now occupied by members of ascendant political parties which become prominent in the actions of communist regimes overthrowing (dominant criteria).

Main attributes of new managers in Balkan countries, which are in transition process with their main goal to become members of EU (all except Slovenia, which is the member of EU) are following:

1) Those are the people with their low level of knowledge, competences and skills, which during communist regimes couldn't become managers on any position.

2) They didn't have any training or education for any form of management, especially not for working in market economy condition and the free market.

3) Those people are mostly older than 50 years (some over 60) with limited psycho physical capacity.

### 3. BALKANIC TYPE OF LEADER

In the transition process in all Balkan countries same phenomena appears, fast

collapse of public companies and institutions with "democratic" managers who obtained leaders positions having atypical behavior and, as a rule, bad business results in the companies they manage.

Having in mind very similar behavior of this "new wave" leaders of Balkan region, which are specific compared to modern definition of leaders prototypes, authors of this paper named this category "Balkan type of leader" not only after region in which they act but with consideration of the habits typical for this part of the world and essential meaning of the word Balkan.

The authors of this paper have proposed seven hypotheses, which they will try to prove as the seven characteristic features of Balkanic type of leaders.

*Hypothesis 1:* Desire for total power. Considering that in their past (most of them older than 50 years) they couldn't reach any managerial position, since the selection was rigorous during communist party regime, presently fulfilled wish should speed up accomplishing all new wishes. They don't have time to be managers, momentarily impose their leadership position since desire for ascendancy and subordination of others is the fluid characteristic for all of them. They want absolute power, and this desire is rather big since, for them, it brings even more satisfaction than sex. Most of the managers (more than 98% in Balkan region are male) are experiencing total power, same as in sexual intercourse when female completely gives her self and male (if he is a potent) in those moments is experiencing absolutely domination.

At the same time they want to take all that the remaining of their life can offer. Desiring more power, Balkanic type of leader, as a rule, has more than one lover also proving in

this manner his absolute power. Moreover, Balkanic type of leader doesn't retain employees who bring him the bad news, only those who flatter him are eligible. In his essence, Balkanic type of leader is narcissoid type who wishes admiration of all subordinates concerning his: irresistible look, ingenious ideas and amazing business results. Subordinates who accept yes-man role are well positioned; however it is often for very short time since problems in the company quickly become visible. In the context of developed characteristics, in this case, leader isn't the owner since assets of the company are public (everyone's, hence nobody's) meaning that functioning of Balkanic type of leader is only possible in those conditions.

*Hypothesis 2:* The principle: "to be therefore I am" is fundamental trigger

Concerning that overall power of Balkanic leader is de facto presenting his positional power, it is rare that it could be improved by his personal power (knowledge, charisma, skills, ..... ). Autocratic style of administration is therefore dominant.

Balkan leaders do not tolerate criticism, dealing with critics brutally whenever they can. They usually brake institutional law in daily practice, when warn, they publicly state they didn't know. When criticism become serious, Balkanic leader is ready to shrug or even crouch a little saying: "tolerate me little more until the end of my mandate", and then continue as usual. Often he state: "My company - it is me", at the same time having none proprietary share in the company.

It's a paradox that this kind of practice subsists, since employees don't sue to avoid scandal in public with company name mentioned. Balkanic type of leader knows that and doesn't care if employees are

disgruntled, official business results don't concern them. Stealing from company (without any consequences since laws in the Balkan region are rarely appreciated) they insure their future without questioning the future of the company which they leave when retire. Principle "after me doomsday" is often crucial in substance of their consideration.

*Hypothesis 3:* Doesn't want new knowledge

In the past periods of time, in Balkan countries, there weren't practice of continuous education, and new managers with obscure knowledge obtained in school aren't ready to gain new skills. Most of them were bad students so in conscience they share resistance to any form of education. At the same time, they believe they know everything so it is impossible for them to learn anything new. Self education is also impossible since they don't have capacity for this kind of effort.

Z. Zivkovic et al. [8] pointed up that over 800 top managers in Serbia were recruited from the "bad student" squad, with average degree under 8 (marks in rang 6-10) and average time spent on studies 8-10 years (optimal period is 4 years). For their associates they chose even worst students with average under 7 and around same period of time spent in school. They chose harmless associates which can not put them in danger.

*Hypothesis 4:* Keeping monopoly on the informations

Information concerning work indicators and company relations with environment are directed to top manager. Most of those informations he hides from employees and accordingly increases his power in company.

*Hypothesis 5:* Using the principle "divide then rule" to strengthen position

Balkan type of managers use the principle "fireman game". They provoke conflict among employees and then resolve them consequently increasing their own reputation. This "playing with fire" sometimes ends tragically since "fire" become too large to be controlled and whole company ends with it.

They converse separately with every associate, plot and harangue one to each other. In situation where employees wrangle among them, top manager become safe.

*Hypothesis 6:* Company history starts with them

In most cases new Balkan type of leaders want to make discontinuity with previous management, starting with attitude that everything previously done was wrong and the company history starts with them.

Aiming that nothing should remind them on previous director, first activities after nomination are as follows: changing all of the office furniture, changing secretary, driver and the company car, analyzing business reports of previous executives and for every potential mistake report a felony to the authorities wishing to discredit them and if possible discharge from the company, hence eliminating the competition. This way, they are sending clear message to the employees what they can expect if confronted with them.

*Hypothesis 7:* Using corruption to become rich

Considering relatively low standard in Balkan countries and situation after democratic changes, some people (connected to organized crime) got extremely rich. Balkan type of leader uses corruption to

gain merit, wishing to become part of the rich elite. They steal from the company in every possible way using all potential means, from small privileges to large malversations. On their list they have:

- misuse of business trips,
- frequent replacement of official mobile phone,
- sharking maintenance investments of company assets by the principle "half: half",
- unlawful provision in all supplies.

Business is usually on the edge of legality with felony reports from employees usually anonymous, resulting without effect considering low level of legal and justice system in those countries.

#### 4. CONCLUSIONS

Generally spoken, two main potential merits could be outlined in the profile of Balkan type manager-leader:

- a) Management knowledge and professional skills,
- b) Ethical behavior.

From this point of view, in the matrix presenting: managerial and professional knowledge-ethical behavior, four subtypes of Balkan type of leader could be defined, Figure 1.

External Balkanian: very rarely present in practice, mostly in companies with defined ownership such as foreign companies with their managers previously educated in famous management schools in USA or EU (very often special MBA courses). As a rule, companies having those leaders work steady and have significant development and growth. Unfortunately, there is small number of companies of this type but with increasing trend in Balkan region.

<b>HIGH</b> Management knowledge and professional skills	Balkanian mobster type	External Balkanian
	Typical Balkanian	Balkanian career maker
<b>LOW</b>	<b>LOW</b>	<b>HIGH</b>
	Ethical behavior	

Figure 1. Matrix of possible variations of Balkanic type of leader

Balkanian-career maker: could be found in public companies. Those leaders are nominated by the decree of ascendant party. Main motive of those, also rear species, is to add in their CV reference that they were top managers of some company. Still Balkan syndrome makes them behave as the leaders. Because of their limited professional and leadership knowledge, business results of their companies are usually insignificant.

Balkanian-mobster type: present in many companies more often than previous two types. With their professional knowledge, for managerial knowledge they don't have time, they are in hurry to take as much as they can. In those companies we can notice high personal standard of managers and very low standard of the employees, caused by bad business results. This type of Balkanic leaders is often present in privatized companies after suspicious privatization procedure.

Typical Balkanian: is most often type of leader in Balkan region, in public companies

and in companies after crooked privatization. Caused by often change of government, in Balkan region countries, considering the fact that next change of government will be the end of them too, managers of this type tend to snatch as much as possible during limited time of their mandate, under protection of their political party. They maintain the leader position using seven principles discussed above (the seven hypothesis). Business results of their companies are usually very poor and most of the companies they lead meet bankrupt. With bad business performances those companies are not interesting as potential partnership for external foreign companies.

Considering that every company is projection of its leader, caused by discussed characteristics of manager-leader in Balkan region countries, which are in transition process, it is obvious that this process in Balkan region will last much longer than in other post communistic countries.

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