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**LEADERSHIP AND MOTIVATION: IMPACTS ON
INDIVIDUALS' PERFORMANCE IN THE
WORKPLACE**

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the degree of Master**

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1. Introduction: Material and Methods

1.1. Research Problem and its Background

Since World War II, there has been a dramatic increase in globalization of the economy all over the world. Globalization implies the internationalisation of organizations and the fast shifting of businesses. Nowadays, large companies operate in a highly, complex and competitive marketplace. Although traditions and cultures are miscellaneous, people wherever there are, are essentially looking for the same. Beyond culture and behaviour, people seek success, to be accepted and appreciated and to increase security for their families as well as personal and professional improvement. The main question of this research concerns management. Are we going towards a “global” management? What are the similarities and differences across continents, across countries and/ or across industries? Do employees have the same motives in lives?

After the Great Depression in the 1950's, employees were working in the same company for 20 years on average. At that time, finding a job was precious. Once they found it, they were not taking any risk in trying to find another job. 10 years later (Korn/Ferry International, 2007), habits started to change; people were staying for around 15 years in the same company. The primary concern was to secure pensions and benefits. In the 1970's and in the 1980's people were obliged to quit their companies earlier because many of them became victims of firm closures. Today, concerns have changes and many individuals see themselves as free agents. Employees have more control about their future. On the other hand leaders have a difficult task to fulfil. Managers must offer adequate opportunities to make those employees want to stay. Employees' retention tends to become critical and more difficult. Furthermore employee turnover increases because of the rising demand, growing mobility of people over the world and shorter technology lifecycles.

The subject of this research project is the following:

Leadership and Motivation: Impact on Individuals' performance in the workplace

The time available to develop this subject is limited as well as the length of the report. Furthermore leadership topic is broad. Many interesting aspects can be approached. Therefore attention of the study is directed to leaders' issues as well as followers' issues. Leaders have a responsibility to answer followers' needs but they are equally important. Therefore the leader-

follower relationship must be understood. There are limitations in the descriptive part to some aspect of motivation and leadership field. For instance analyze of theories are carefully chosen according to their importance and use in today's management practices. The chosen quantitative and qualitative data are as recent as possible. Examples and case studies are based on famous and worldwide important corporation.

1.2. Research Purpose and Hypotheses

Globalization has created change in leaders' roles. Leaders need to adapt faster to changing business environment and to develop their competencies in cross cultural communication (Northouse, Leadership: Theory and practice, 2007) and practice. The **main purpose** of this research study is to provide a deeper understanding of the roles of leaders in the workplace and the importance of the concept of motivation among employees. Within the main purpose, the following operational purposes are established:

- P1: Discussing the concept of leadership in organizations and its importance.
- P2: Presenting theories and instruments of motivation in organizations.
- P3: Conducting case studies of leadership and motivation in selected organizations.
- P4: Diagnosing and analysing leadership and motivation practices in Europe and America.
- P5: Presenting best practises in leadership and motivation (world famous leaders).

The hypotheses based on the main purpose and operational purposes are:

Hypothesis 1: Leaders and motivated employees is an essential combination to reach organizational goals.

Motivation of an individual is defined as goal-oriented behavior. The role of leaders is to influence this behavior to reach organizational goals. Employees expect their efforts to be rewarded and to result in something useful for the company. Leaders develop responses to needs that are valued by their employees and apply those responses in a useful way to keep them motivated. Leaders also have to communicate to make employees aware that they work towards a goal and that they are essential to the success of the company.

Hypothesis 2: Financial incentives are not sufficient to keep employees efficient at work.

Incentives play a major role in encouraging and motivating workers. It pushes them to reach organizational goals and it also helps to retain them. Nevertheless financial incentives are usually seen as short term motivators. Employees do not just work for money. Other reward systems have to be used not to let employees' implication at work decrease. Although incentives motivate most type of employees, leaders must be aware of the individual motivational needs.

Hypothesis 3: Unlike is the worldwide economy, management is not “global”

Globalization of the economy goes along with internationalisation of companies. Those worldwide companies use shared management practices. Management trainings converge and ranking are made based on global criteria. Within companies managers could be strongly influenced by this organization globalization trend. Studies show that on many aspects managers perception, behavior, roles still differ from one country to another.

Those hypotheses are a preliminary explanation of the problem stated earlier. They provide a framework of the research as well as a direction to answer the research problem to know the impact of leadership and motivation on individuals' performance.

1.3. Research Approach and Strategy

In chapter 2 and chapter 3, the deductive approach has been used. The content is based on multiple researches in articles and books. The purpose of this study is to examine various approaches and theories on leadership and motivation. In chapter 4 and 5, the empirical approach has been used. Data about management practices across Europe and North America has been gathered and analyzed. Those data illustrate the deductive approach and give a more broaden and practical explanation of leadership and motivation practices. Those studies will result in a general conclusion answering the hypotheses which have been previously presented.

1.4. Data Collection and Analysis (including Sample Selection)

Data have been collected on various surveys. Analyses will be presented and aim to answer the following questions in order to understand the managerial differences in North America and in Europe:

- According to different criteria, how important is it for American/European companies to hire or promote managers?
- Which managerial characteristics are important for a manager as opposed to a non manager?
- What are the concerns of companies about the international dimension of a resume (CV) in Germany, Italy, Finland, Denmark, Spain, USA, Canada, Norway, Sweden, France and UK?
- What is the level of concern of companies about minorities and women?
- What are companies' perceptions of "a good manager" according to different managerial abilities?
- How much influence managers think they have on their subordinates? Also what are employees' opinions about it?
- Finally what are the types of managers (leaders, animators, influent, detached, not up to date) in different countries?

Then a deeper analyze will be presented based on two case studies and on description of some of the most influent leaders:

1.5. Research Methods and Instruments

For the theoretical chapters, a literature review has been made in order to find the most relevant writings on leadership and motivation. A first research has been done in the Main Library of Cracow University of Economics. Due to lack of recent English books, a second and successful investigation has been made in the University of Warsaw Library. Many books from this library have been used to write those chapters. Also, Human Resources and Management courses, documents and notes from the Haskayne School University of Calgary have been chosen. In addition, the data base of the home university Ecole Superieure De Commerce De Montpellier was also a good source of knowledge. To complete those findings,

search engines on the Internet have been browsed to seek for more articles, blogs and other material on the topics of leadership and motivation in the workplace

In 2010, studies on management have been published by APEC (Association pour l'Emploi des Cadres) and by IPSOS Loyalty.

APEC plays a major role for employment matters in France. The organism advises companies in recruiting process and in management of internal mobility. It also follows executives throughout their professional life (first job, mobility and professional growth). In France 31590 companies and 530000 managers collaborating with APEC

IPSOS Loyalty (IPSOS Loyalty) is worldwide and represents the specialized division of Ipsos which aims to improve business performance by customer management and employee satisfaction.

Most of the data used in the empirical part have been retrieved from the studies mentioned above. This choice of selecting data on existing reports has been made for several reasons. While doing research it is sometimes not practical, or it can be expensive to gather data relevant to the research problem.

The two organisations: APEC and IPSOS are well known and trustworthy. Therefore the quality of information gathered is better and more reliable. Actually the several surveys have been targeting 15 countries representing 33000 employees working in organisations employees more than 100 workers. For each country, quotas about status, age, type of employees and industries have been set.

The risk of making a mistake is lowered taking into account the need to present the most adequate data in the thesis. Consequently it allows focusing on selecting the most interesting and useful information and on realizing deeper analyzes based on correct studies. This first task of selecting data was not easy because the purpose was to find the latest possible and comparable data from Europe and from North America.

Finally, case studies have been considered. The aim of this type of research is to seek conformity between outcomes and theories. At the end the whole research project can be more convincing. Indeed, the 2 case studies chosen for this work will give a better understanding and contribute to exemplify how leadership and motivation impact workers on real-life situation.

1.6. Outline of the Thesis

The thesis is structured in five chapters already partly presented in the previous section. The first part of the methodological chapter deals with a general introduction presenting a brief background of the problem which ends with the formulation of hypothesis. It is an overview of what will be discussed in the thesis. The other part presents the research methods and describes how the data have been collected. Chapters 2 and 3 contents' are based on a literature review.

More precisely chapter 2 of the thesis deals with leadership and its importance in the workplace. It aims to answer the following main questions:

- What is leadership?
- Which theories are still relevant?
- What are the difficulties of being a leader?

First will be defined the concept being a leader in order to understand the differences with followers and managers. What is more, an analyze of the leadership styles and theories will be presented. To go deeper in this study, the last section will be a reflection on the barriers and opportunities of leadership today.

The third chapter provides information about the concept of motivation. This part will start by an attempt to define motivation and will lead to a discussion of the motivational challenges in today's organisations. There are several benefits of working with motivated people; those benefits will conclude this first part. As for leadership, the most important theories about motivation will be then studied. To end this chapter some tips to motivate employees will be described.

In chapter 4 a comparison of managerial practices in Europe and North America will be diagnosed. It aims to reflect on the idea of a "global" management. At the beginning of this chapter, a part will be devoted to the "global" manager and how it is perceived in North America and in Europe. But this "global" model is not easy to implement in practice. This will be demonstrated on second subpart. Finally the reasons why this implementation is complex in today's organisation will be explained.

Chapter 5 focuses on real situations. The first section will be about studying how Tesco and Chartered Management Institute work with their customers and employees. The case study on Tesco will focus more on the motivation of employees. The second case study on Chartered Management Institute has been chosen in order to clarify the need of good leaders. This section will lead to the very last part about great leaders. Why are Nelson Mandela, Jim

Lentz, Howard Schulz and Carlos Ghosn well-known as leaders? This last section will portray those influent figures in order to link all the researches, previously presented, with the reality of today's business world.

2. The importance of implementing leadership in organizations

2.1. The concept of leading in organizations

2.1.1. To be a leader: definition and main roles

The topic of leadership is more and more popular. The primary reason for this is that groups, individuals, organizations are facing increasing changes. Those changes need to be well understood. Therefore effective leadership is needed in order to navigate through the changes and maintain the performance of businesses and help them to grow.

However leadership is known since early ages. This concept has been evolving throughout centuries. There have always been concerns with social structure, group movements (in pre-historical area for instance, the need to maintain peace and be strong against other groups which appeared to be competitors (as for hunting, fishing, territories borders...)). All heroes from different countries won thanks to their abilities to influence groups of people.

Byham, Smith and Paese (2002) argue that leaders have changed throughout decades. They contrasted the traditional leaders with the contemporary ones (p. 86).

Table 1: Traditional versus contemporary leaders

Traditional leaders	Contemporary leaders
<ul style="list-style-type: none"> • Behaved like experts, solved problems of the teams, solved conflicts, made main decisions • Controlled the work flow • Took responsibility for results of the team • Created the rules and used linear analytical thinking • Focus on tasks, skills, products • Reluctant to change, • Reactive • Concerned about own area of responsibility • Competitive • Focus on domestic operations • Considered people as interchangeable resources • Organization’s needs before people’s needs • Avoid risks • Used functional, short term thought process 	<ul style="list-style-type: none"> • Share responsibility with team and help to solve problems • Promoted self management, ownership of the task • Ask the right questions • Create a vision and values • Encourage diverse perspectives • Conflicts are an opportunity for synergy and enriched decision making • Are pro active, initiate changes • Focus on process and people • Use non linear thinking, seek to reach cross functional and cross cultural expertise • Aim to have healthy partnership • Competitive but can cooperate when needed, ready to think on a global scale • People = organisation’s most valuable resource, not easy to replace • Work = balance between people’s needs and organization • Take risks • Uses a systematic, long term though process

Source: Byham, W.C., Smith, A.B & Paese, M.J. (2002). *Grow Your Own Leaders, Acceleration pools: A New Method Of Succession management (P87)* FT Press (1st ed)

For instance in Middle East, one important figure, King Hammurabi (ca.2123-2071 B.C.), is famous for creating the 282 laws which compose the so called Code of Hammurabi. The code (Hammurabi) is an example for early use of leadership skills because it deals with transactions, different behaviours, sanctions, and many other social concerns. Another

example from early ages is in Greece. The philosopher Socrates (469-399 B.C.) believed in the importance of delegation to be successful (Debra, 2010). Other famous Greek philosophers are Plato (428-348 B. C.) and Aristotle (348-322 B.C.) who also wrote about taking into account human differences and way of managing people. It can be seen through examples from early ages that there were already matters of delegation, organization, separation of labour force etc.

Later, in classical times, the Industrial Revolution also influenced management habits. There were changes at levels of societies, organizations and workers. The scientific, Frederick Taylor (1856-1915) is well known in the field of management. Some of his researches were about finding a more effective way of managing work, by differentiating those who plan and those who execute tasks, others were about how to ensure prosperity and motivate employees.

In modern and post modern era, the focus moved more to the quality of human relationship and correlation with the performance of employees. Famous psychologist: Elton Mayo (1880 - 1949) showed in one of his studies the influence of groups in affecting the behaviour of individuals at the workplace. He also worked on the ways of preventing social disorganization by ensuring cooperation rather than technical skills.

The correlation between leadership and management is often a topic of discussion. Both concepts are needed for the success of an organization. Many US organizations today are over managed and under led. *“Leadership complements management; it doesn’t replace it”* (Kotter, 1994). The difference between those two concepts is still often misunderstood. Looking at the etymological meaning, the words have different root origins. To manage derives from the root word “manus” (Kouzes, 2009) which means “the hand”. It is directly related to the idea of handling, controlling things. Management concept is about running things effectively. Leading on the other hand has a common root with the verb “to go”. That is why it is connected to the idea of movement, travel and what is more “guiding” is highlighted.

Mintzberg (1994) gives an interesting explanation on what managers really do. The conclusion of his research was that managers have three main roles: interpersonal, informational and decisional. Looking deeper, their roles are often unclear (as opposed to management which is about coping with complexity); there is still some ignorance on the nature of their work (p. 2). On the other hand, in the same review, Kotter, focus on the fact that leadership is about coping with change. . It often inspires a common goal, a shared vision,

ability to motivate and influence. Leaders have followers while managers have subordinates (p. 36).

According to the Business Dictionary “*leadership*” can be defined as followed: it is an organizational role which: “*involves establishing a clear vision, sharing (communicating) that vision with others so that they will follow willingly, providing the information, knowledge, and methods to that vision and coordinating and balancing the conflicting interests of all members or stakeholders. A leader comes to the forefront in case of crisis, and is able to think and act in creative ways in difficult situations. Unlike management, leadership flows from the core of a personality and cannot be taught, although it may be learnt and may be enhanced through coaching or mentoring*” (BusinessDictionary).

Leadership is also often understood as a process (Wolinski, 2010). In this case there is a focus on relations and social interaction. It is a type of relationship that includes influencing towards a similar and shared goal. Here are few definitions about leadership as a process:

1. “*Leadership is defined as the process of influencing the activities of an organized group toward goal achievement.*” (Rauch & Behling)
2. “*Leadership is a process of giving purpose (meaningful direction) to collective effort, and causing willing effort to be expended to achieve purpose.*” (Jacobs & Jaques)
3. “*Leadership is interpersonal influence, exercised in a situation, and directed, through the communication process, toward the attainment of a specified goal or goals.*” (Tannenbaum, et al)

As mentioned above a leader has various roles which can be summarized in 3 main parts:

1. A leader has to create a vision and be able to guide by using examples.
Such a person establishes shared values and creates a vision. He must also manage change (by taking risks, managing resistance to change, leading and giving directions). To influence people he must show confidence, gain respect and be trustworthy.
2. A leader motivates people by inspiring them.
For this purpose, a leader must create a positive atmosphere at the workplace, demonstrate energy, and be enthusiastic. People must feel empowered, be willing to give ideas and be creative. He must be open to others, be an empathic listener and a support.
3. A leader builds and manages teams.

By leading a team, the leader must make sure every member is involved, motivated and that objective of work are clear. There must be cooperation and trust in the group. The level of supervision has to be controlled. Actually he must intervene when needed, coordinate team logistics, provides team status (Crow, 1999)... Also, he must help each member to improve and make sure that no dysfunctional behavior will appear. At the end of the work he should be able to recognize members and team success.

2.1.2. Popular leadership styles

A leadership style is the way of providing directions, implementing projects and motivating employees. There are as many leadership styles as there are leaders. In 1939 Kurt Lewin led a group of researchers to identify specific types of leaders (Lewin, 1939). His study highly helped to recognize 3 majors' styles:

- Autocratic leaders
- Delegative (Laissez-Faire which can be translated by “let it be”) leaders
- Participative (or democratic) leaders

Autocratic (or authoritarian) leaders have an absolute control and power over their followers. They do not ask, expect suggestions or advice from anyone. They give clear directions on what and how a task needs to be done. Therefore this leadership style has some drawbacks as it can be perceived like a dictatorial power when it is abused. According to Kurt Lewin, followers are less creative in their decision-making. Some examples of negative effects are absenteeism and staff turnover. Nevertheless there are some appropriate situations such as a short deadline and also when the leader is really the most knowledgeable member of the group.

The delegative leaders minimize their guidance to the group members. The leader sets priorities and delegates tasks, but to make it work he has to fully trust his people. His team is free in decision-making. Therefore members are involved and have more opportunities to develop their skills. The laissez-faire style is efficient mostly if the members are experienced, otherwise it might be a waste of time and cause a lack of productivity.

The participative style is a medium between the previous two approaches. Kurt Lewin found out that this style is usually the most efficient because the leaders give just enough guidance without imposing their workers ideas. They keep the final decision authority.

Therefore it leaves more space for creating thinking, and members' contribution is of higher quality because they are more engaged and motivated in the task. This style is useful when team members need to reach an agreement. On the other hand if many ideas and opinions are discussed then it can be quite difficult to control.

A good leader should be able to use the mix of 3 different styles. A correct proportion depends on: the situation (available time, stress, existing conflicts...), the type of members (experienced, new), the relationships with the leader (and who has the needed information, if there is trust and respect...) and the nature of the project. For instance, if a member knows more than the leader about a specific task then the delegative approach should be used. It also allows the leader to have more time for other duties. A new employee might appreciate an authoritarian style because he finds himself in a new environment. Being under coaching and learning from someone who is more experienced is a good motivation. The employee feels that the leader considers him and thanks to him, he expands his skills. If the leader knows the problem and has some information about a work together with the situation when members of the team have the missing skills and knowledge, then the participative style should be used.

2.1.3. Transformational leadership: An up-to- date understanding of leadership

Bass in his "*The Bass Handbook of Leadership*" defines the term transformational leadership as a form of leadership that occurs when leaders "*broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and the mission of the group and when they stir their employees to look beyond their own self-interest for the good of the group*" (Bass, 1990) This concept has been introduced by James Burns. His view about transformational leadership is that it occurs when one or more persons interact; they motivate each other and raise one another to a higher level of moral power (Burn, 1978). In other words, transformational leadership is a process that transforms people. It encourages changes (Northouse, *Leadership: Theory and practice*, 2007, p. 175). Such leaders have great abilities to motivate; they communicate effectively and therefore know how to inspire. What is more the organization is more important than their self-interest. Those leaders are truly passionate. This concept is very up-to-date in today's management. One example deals with the founder of Wal-Mart, named Sam Walton. As mentioned previously there is the idea of motivating people and so valuating them. Sam Walton spent lots of time

visiting stores across the United States. The idea was to meet his workers and demonstrate his appreciation for their good work and showing what it represents for the company. He wrote the so called “*rules for success*”. Rule #5 is about valuing associates using praise: “*Appreciate everything your associates do for the business. Nothing else can quite substitute for a few well-chosen, well-timed, sincere words of praise. They're absolutely free and worth a fortune.*” (Bergdah, 2006)

According to Avolio, Waldman and Yammarino (1991) four factors (the four “I’s”) are used to stimulate and engage followers (William Brown, 1996).

- Individualized Consideration:

The leader pays attention to each follower’s needs, and is making each individual feel valued and unique. His position can be assimilated to a mentor. He spends time coaching. The leader is also an empathic listener and makes sure that the communication is opened between with one and another. With such a behavior the follower have more motivation for self development and reaching the desired goal.

- Intellectual Stimulation:

It is the degree to which leaders stimulate follower’s ideas and creativity. The leader challenges the habits and usual believes. Therefore the followers are encouraged to look for new ways to solve problems, best ways to execute tasks and to be innovative.

- Inspirational Motivation:

Such leaders demonstrate enthusiasm and talk optimistically, all to motivate and express confidence in front of their associates. Followers have to feel this energy that their leader demonstrates. Leaders encourage team spirit to reach goals and make the organization successful. They also provide meaning for why these tasks need to be done. It is based on the vision and the message that has to be appealing, understandable and engaging for the followers.

- Idealized Influence:

Leaders are seen as models. Therefore they gain respect and are trusted by followers.

If all those effects occur then the performance of associates will be beyond the expectations. With a transformational leadership approach and combining the four “I’s”, a manager will become a successful leader in today’s business world.

2.2. Major leadership theories

2.2.1. Traits theories: The types of person that makes a good leader?

Let’s first have a look on the meaning of this theory. According the Merriam Webster dictionary, a trait is a distinguishing quality (as of a personal character). The primary idea of this theory is that leaders have some traits that make them feel that they are leaders. It helps to answer the question of what are the characteristics of successful leaders.

Before the Second World War, early researches on leadership models were based on the assumption that some personal traits of leaders were distinguishing them from the non-leaders. It was assumed that such persons were born with specific traits (University of Cincinnati, 2007). Those inherited personal traits were for instance cleverness, knowledge, energy, self confidence, degree of activity. Stogdill and Mann (1959) recognized at that time that such traits were not relevant enough to determine a leader (Stogdill, 1948). However, the idea that leadership traits are inborn and unchangeable appears to be incorrect. It is true that there are some dispositions and tendencies which are part of a personality, but it is also true that a person can change character traits for bas ones. Actually a person can be seen as being honest but nothing prevents this person from becoming insincere. When people say about another that he or she has been “corrupted”, it is inferred that that person changed in a worse way and therefore learnt about new, negative traits. This example also shows that someone can also learn good character traits. For instance a person who doesn’t take any risk, avoids any challenges can learn to be more adventurous and take risks. Finally leaders might possess certain traits but the absence of some of them does not obviously implies that he is not a leader.

Although there was not enough consistency in the results of the different researches on trait leadership approach, some characteristics tend to appear more frequently than others, including for instance: charisma, technical and administrative skill, friendliness and social skills, motivation, group supportiveness, emotional control, cleverness. Stogdill concluded that there is no a single set of traits that defines a leader (Maurik, 2001). He also found out leadership starts with a need and it implies interaction with others (Stogdill, 1948). In 1974

Stogdill summed up the main leadership traits and skills which are presented in the table below:

Table 2: Main traits and skills of a leader

Traits	Skills
<ul style="list-style-type: none"> • Adaptable to situations • Alert to social environment • Ambitious and achievement-orientated • Assertive • Cooperative • Decisive • Dependable • Dominant (desire to influence others) • Energetic (high activity level) • Persistent • Self-confident • Stress control • Willing to assume responsibility 	<ul style="list-style-type: none"> • Clever (intelligent) • Conceptually skilled • Creative • Diplomatic and tactful • Fluent in speaking • Knowledgeable about group task • Organised (administrative ability) • Persuasive • Socially skilled

Source: Stogdill, R. (1948). Personal Factors Associated with Leadership: A survey of the Literature, Journal of applied Psychology (Vol. 25).

All these show that trait theory, although it helps for the understanding of the concept, it is not sufficient to find out how leadership works in depth.

Jim Collins developed the so called “Level 5 Leadership” (Collins, 2001). It is one of the more recent approaches in this field. His opinion is that leaders who want to lead a successful organization possess opposite traits such being humble and shy, having a lack of pride and on the other hand being professional, determined and brave. According to Collins, these traits are driven by needs to build, create, and contribute to something larger and longer lasting than the person itself. In turn, these characteristics promote the implementation of a number of practices that become part of the culture of the organization to finally impact the company performance. The following frame provides a visual summary of these premises:

Leader’s need → Leader’s characteristics → Culture → Long-term organizational effectiveness

This theory can be useful to help leaders to understand the importance of culture within the company and its impacts on the objectives.

To conclude the trait theory highlights constructive knowledge about leadership. All employees of various companies can use it. The theory also helps manager to precise their position in the organization and find out about how they can affect their associates. Thanks to this approach they can learn more about their strengths and weaknesses and thus how they can improve.

2.2.2. Behavioural theories: the roles of an efficient leader

In the previous part, it was shown that the impacts of trait theories were irrelevant because of the difficulty to measure traits. Therefore new approaches appeared. As opposed to trait theories, behavioral theories of leadership are based on the assumption that leaders are made and not born. The idea of the theory is on how a leader acts, reacts and behaves. People can learn how to become a leader.

The R. Blacke's and J. Mouton's Managerial Grid

Robert Blake and Jane Mouton (1960) came up with two major studies in the field of behavioral leadership developed in Ohio State University and the University of Michigan (WebCraft Inc, 2008). Through their research, they proposed a graphic based on two dimensions: treatment of task (production) and employee orientation (taking into account they needs and attributing them priorities). This managerial grid helps to decide how best to lead depending on those two concerns. Each category is ranked from 1 to 9. This means that there are 81 positions to chart a person's leadership style.

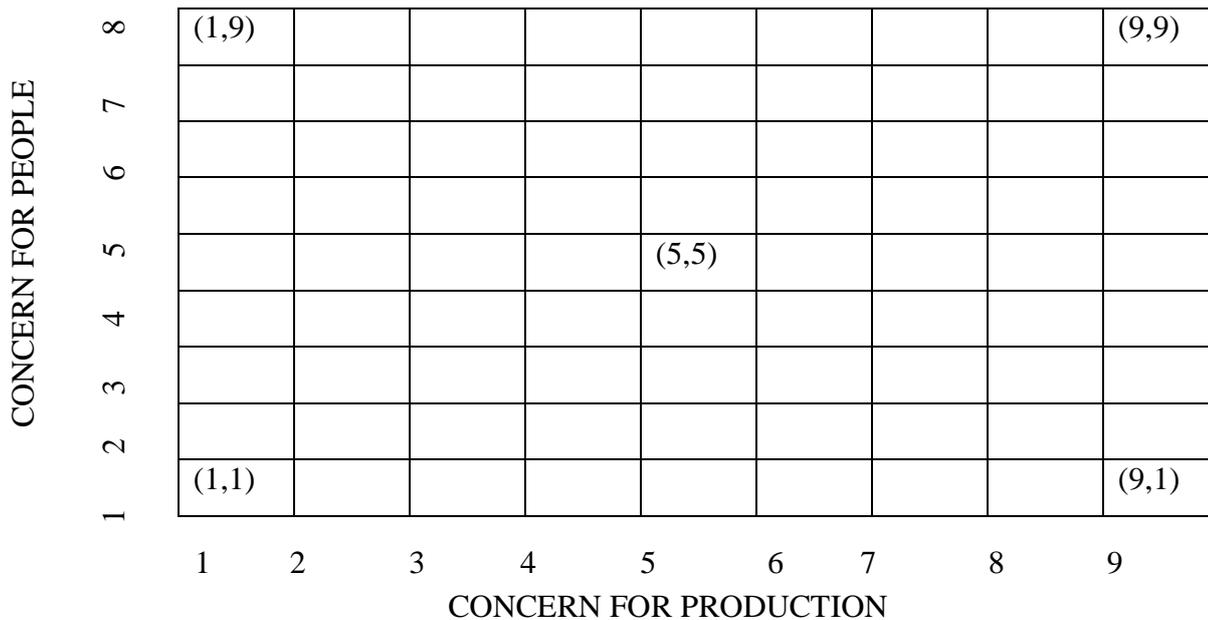


Figure 1: Managerial Grid

Source: WebCraft Inc. (2008). *Management Study Guide: pave your way to success*. Retrieved October 19, 2010, from [managementstudyguide.com: http://www.managementstudyguide.com/blake-mouton-managerial-grid.htm](http://www.managementstudyguide.com/blake-mouton-managerial-grid.htm)

The five resulting leadership styles are:

1. Impoverished Management (1, 1):

Managers are not efficient; they demonstrate little effort to get the work done from subordinates. They also have very little concern for employee satisfaction. The consequence is disharmony and disorganization in the company. Such leaders are self-centered, their primary concern is to keep their job.

2. Task management (9, 1):

Leaders are focus on tasks and production and have little care for people. This style is perceived as dictatorial. In result the output will increase for a while but on the hand, there will be a high turnover.

3. Middle-of-the-Road (5, 5):

Such leaders are concerned by maintaining a balance between production and needs of employees. The result of the company is not as performing as is it could be.

4. Country Club (1, 9):

The focus on task is low and people orientation is high where the leader gives a thoughtful attention to his workers by creating the pleasant atmosphere and

caring for them so that they finally feel self-motivated by their tasks. Such a style however might imply questionable results.

5. Team Management (9, 9):

High concerns for both employees and production. It occurs to be the most effective type of leadership behavior in creating a team atmosphere which will automatically result in high employee satisfaction and production.

This model is useful in helping managers to analyze their own leadership styles. However it ignores the importance of external and internal boundaries and events. Also, not all aspects of leadership are covered.

McGregor's Theory X and Theory Y Managers

This theory has been developed by Douglas McGregor (1960). Although it is not strictly a leadership theory, it has significant impact on managers and is still widely used because it remains a valid basic principle from which to develop good management style. According to McGregor's, leadership strategies are influenced by a leader's assumptions about human nature. As a result of his experience as a consultant, McGregor summarized two contrasting sets of assumptions made by managers in different industry

Table 3: McGregor’s XY-Theory

Theory X managers believe that:	Theory Y managers believe that:
<ul style="list-style-type: none"> • The average human being has an inherent dislike of work and will avoid it if possible. • Because of this human characteristic, most people must be coerced, controlled, directed, or threatened with punishment to get them to put forth adequate effort to achieve organizational objectives. • The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, and wants security above all else. (Jones, 2008) 	<ul style="list-style-type: none"> • The expenditure of physical and mental effort in work is as natural as play or rest, and the average human being, under proper conditions, learns not only to accept but to seek responsibility. • People will exercise self-direction and self-control to achieve objectives to which they are committed. • The capacity to exercise a relatively high level of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population, and the intellectual potentialities of the average human being are only partially utilized under the conditions of modern industrial life.

Source: Jones, T. J. (2008). *Professional Management of Housekeeping Operations* (5 ed.). New Jersey: John Wiley & sons, INC.

Newer studies have questioned the relevance of the theory. Nevertheless it remains central to organizational development, and to improving organizational culture.

2.2.3. Contingency theories: Taking into account the situation

Contingencies theories differentiate from behavioral theories because they include situational factors, also those theories isolate the key variables related to the environment. The idea is that there is no a single best leadership style. Leaders needs to adapt according to the diverse variables

Fiedler contingency model

It has been developed by Fred E. Fielder and focus on the relationship between leadership and organizational performance. This idea of this theory proposes that “*effective groups depend on a proper match between a leader’s style of interacting with subordinates and the degree to which the situation gives control and influence to the leader.*” (Robbins, 2003, p. 320).

1. In order to determine the attitudes of the leader, Fiedler developed the ‘least preferred co-worker’ (LPC) scale (a questionnaire about a leader’s underlying disposition toward others persons) in which the leaders are asked about the person they don’t like to work with.



Leaders with a high LPC scores are relationship-oriented. The relationship need has to be fulfilled before accomplishing the task. Leaders with low LPC score are task-oriented. These leaders think about the performance and organizations goals first.

2. This theory states that a leader’s behavior is closely linked to the situation. Three factors are used to identify the favorability of the situation for the leader : Leader-member relations, task structure and position power .Through these factors eight combinations of group-task situations are constructed to finally identify the leadership style

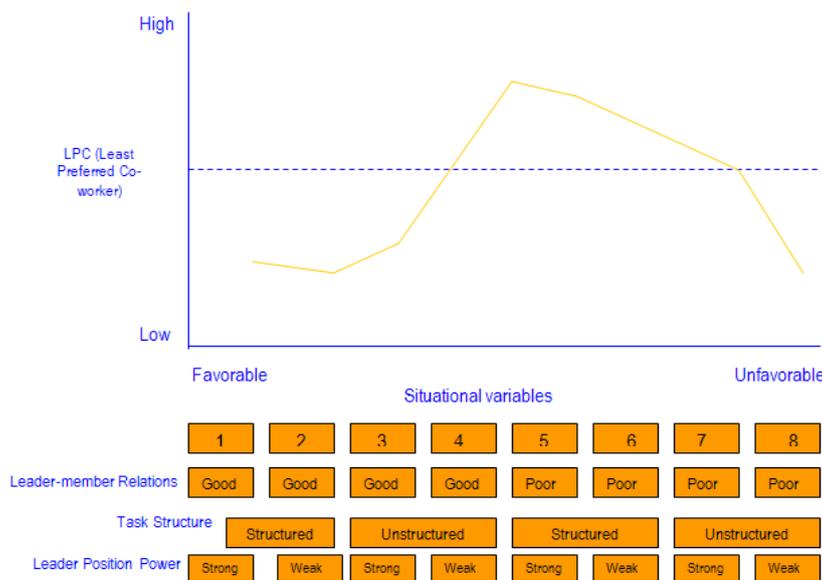


Figure 2: Correlation between leader’s LPC scores and group effectiveness by Fielder

Source: Robbins, S. (2003). *Organizational Behaviour* (10 ed.). (P. Hall, Ed.) Upper Saddle River, NJ.

3. The leader's effectiveness is determined by the interaction of the leader's behavior and the positivism of the situational characteristics. Researches on this model reached the conclusion that leaders who are relationship-oriented perform better in situations of intermediate favorableness (4, 5, 6). On the other hand those who are task oriented, are more effective in highly favorable (1, 2, 3) and highly unfavorable situation (7, 8)

Path-goal theory

Robert House developed this theory. The premise is that an employee's perception of expectancies between his effort and performance is dependant on a leader's behavior. By giving information, providing the right support, by clarifying the paths to achieve goals and removing barriers or obstacles such leaders help members in attaining. According to this theory, a leader's effectiveness depends on employee and situational factors and on leadership behaviors and effectiveness.

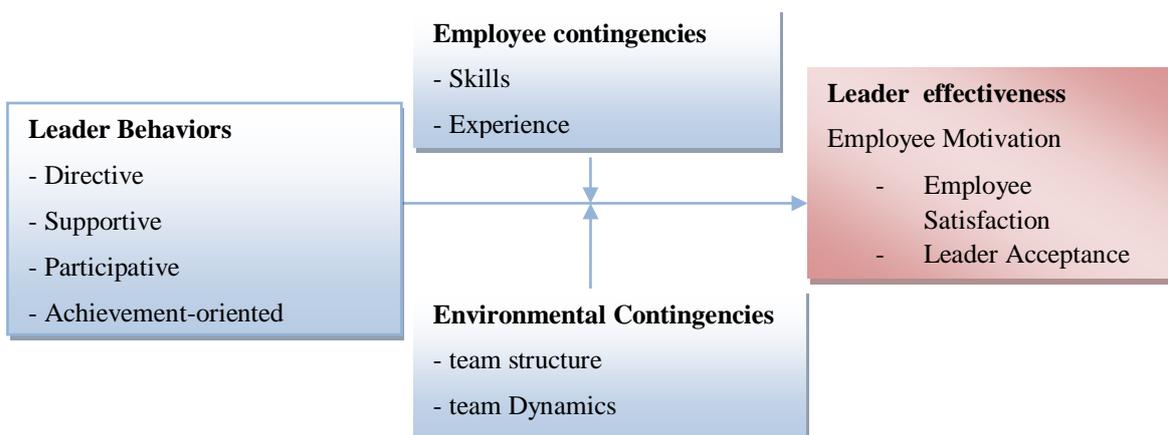


Figure 3: Path-Goal Leadership Theory

Source: WebCraft Inc. (2008). *Management Study Guide: pave your way to success*. Retrieved October 19, 2010, from managementstudyguide.com

This theory is useful for leaders. It can be used as a “guide map” (WebCraft Inc, 2008). Indeed, it reminds them about what their primary concern should be: helping subordinates in defining their goals and then to assist them in accomplishing those goals in the best way.

Hersey Blanchard Model

This theory, introduced by Paul Hersey and Kenneth Blanchard, focuses on the followers and their ability (knowledge, experience and skill) and willingness (motivation and commitment required) to accept a task. The leadership style depends on this. Hershey and Blanchard identified four leader behaviors that range from highly directive to highly laissez-faire. The leader behaviors are influenced by the level of “readiness” (Robbins, 2003, pp. 323-324) of an employee demonstrates. Instead of using just one style, successful leaders should change their leadership styles based on the maturity of the people they're leading and the details of the task. The four levels of readiness are:

1. Low follower readiness
2. Low to moderate follower readiness
3. Moderate to high follower readiness
4. High follower readiness

According to the level of readiness, the style used by the leader is likely to be a combination of task and relationship behavior orientation. Finally four styles of leadership can be deduced:

- Telling which is more high task behavior and limited relationship behavior
- Selling which is more high amounts of both task and relationship behavior
- Participating which is more high amount of relationship behavior but low amount of task behavior.
- Delegating which is more low levels of both task and relationship behavior

2.3. Leadership: limits and possibilities

2.3.1. Risks and Failures of leaders (Tobak, 2010)

Passion can negatively impact good leaders

Managers have responsibilities. Hours spent at work are not accountable. An executive, the owner of a company has one primary goal which is to succeed. Such people are passionate by their work. They can be so into their professional life, that family life can be left behind. Work becomes their whole life. There is no more balance with their private life and sooner or later this way of living might have a negative impact. It is not healthy but most of all it might affect their abilities to succeed. Executive are under pressure 24/7. They are often workaholics. They struggle with being successful. Every day they face new challenges. By leading a company, a CEO engaged himself in maintaining the company alive and accepts that if something is going wrong it will be his responsibility to arrange it. Executives can have so much pressure on themselves that they can't cope with any kind of failure. Knowing this, it is definitely difficult to prevent work from becoming life.

Another aspect is the way such managers are considered. It seems to be different at work and at home. Actually at work they have everyone under their control. They are admired because they have the knowledge and the power. They are used to being listened, used to giving orders and used to being respected. At home, their statuses as well as the consideration are different. They are husbands or spouse, parent, friend. Duties, talks, stress level, problems atmosphere are not comparable with what they experience at work. Some leaders actually may feel even better, more needed, more comfortable and safe at work than at home. All these affect leaders in their ability to perform effectively. Such negative impacts are sometimes not evident to see.

As mentioned above leaders are admired. It can impact their ego and their humility. Also if they refuse accept their own mistakes, if they keep on thinking they have all the answers, if they don't listen to the others anymore, they also cannot feel any empathy for the people they lead and it also impairs their own judgment. As they are models, those attributes that they misuse might be emulated in the same way by followers. In the worst situation they could take the whole company down with them. Furthermore when a problem is complex, a challenge too risky, some leaders might retreat to a place where they feel more confident and safer. They are able to disengage and therefore they can have a lack of objectivity. The confidence leadership attribute can turn into arrogance. With such a drawback, how can they work effectively and lead others. Another aspect is about being patient to see the fruits of the labor of the leader. If the latter is not giving him the pace then he won't last and he won't be able to survive in today's business world competition.

To conclude attributes such as confidence, passion, dedication, humility are good features until the point when a leader don't consider himself as an ordinary person anymore. If there is no work-life balance anymore, this will sooner or later catch up and have a harmful impact.

Common failures of bad leaders

In the article of the Harvard Business Review, "Ten fatal flaws that derail leaders" (2009), Jack Zenger and Joseph Folkman analyzed the 10 common leadership shortcomings. This study has been done through a research over 11,000 leaders and through evaluating the 10% considered as to be the least effective.

- The worst leaders have a lack of energy and enthusiasm. They rarely volunteer. New initiatives are for them a burden, they are afraid of being overwhelmed.
- They also accept their low performance. They exaggerate the difficulty of achieving goals so that when they do, they give a good image. Such leaders are familiar with the expression under promise and over deliver.
- Bad leaders also miss the importance of stating a clear vision and direction. They are focus on executing.
- Also, these leaders are not able to give good judgment.
- They don't collaborate as much as they should. They tend to be to independent because they perceive other leaders as competitors

- They don't walk the talk. Here is underlined the fact they are not integer. They set some rules, standards, expectations, and don't show the example.
- Furthermore, those leaders tend to be reluctant to new ideas. They are not willing to take suggestions from subordinates seriously and act upon those ideas.
- They don't learn from errors, they rather hide them.
- They have a lack of interpersonal skills. Such leaders are annoying, irritating. Also they are reluctant to praise and not available for their peers.
- Finally they fail to develop their subordinates because they are centered on their own interest and needs.

Ineffective leadership versus Unethical Leadership

In her book, Barbara Kellerman, distinguishes 2 categories of bad Leadership: ineffective leadership and unethical leadership (Kellerman, 2004). Ineffective leadership included weak knowledge, missing attributes, strategies wrongly used for instance. It is more about the means they employ than about the goals they pursue. Unethical leadership is about differentiating between what is right and what is wrong. They follow their own needs before the follower's one.

The author also categorizes 7 groups of bad leadership: Incompetent, Rigid, Callous, Corruption, Insular, Evil, and Intemperate. Incompetent leaders miss skills (which can be academic or practical) and wills (such as being careless, or distracted) to act as they are expected to and create change. Although they might be competent, rigid leaders cannot easily adapt to changes, new ideas, and new information. Intemperate leaders are not able to control themselves. They are for example impulsive. Callous leaders are known for their uncaring, unkindness behaviors. For example they ignore the needs of their subordinates. Corruption is about cheating. Such leaders are driven by power, success or greed. For instance they can break the law, or take bribes. Insular leadership is defined as the minimum a leader can do for the others. They have a lack of welfare; they don't really pay attention, even though they are responsible for the others. Finally an evil Leader does atrocities, seek to physically or psychologically harm to gain more power.

2.3.2. The relationship between leaders and followers

In today's business world, leaders and followers cannot work separately and their relationship must be healthy to be beneficial to the success of the organization. Richard L Daft defines the leadership process as:

“Leadership influence relationship among leaders and followers who intend real change and outcomes that reflect their shared purposes”

(Richard L. Daft, 2008)

He highlights the fact that change must be shared by leaders and followers. The word “influence” reflects the needed relationship between those people.

Followership development is vital

Too often, the value that followers can bring to a company performance is underestimated. Rost defines this process as what followers do when they follow someone. This shows the distinction between leadership and followership. Also there wouldn't be any leader without followers. Their collaboration cannot be ignored therefore the concept of followership in leadership field is crucial. First everyone can be a follower at least once. It also concerns the leader. The latter can be influenced according to their opinions, perspectives, abilities and skills (Ronald E. Riggio, 2008). Every person, involving the leaders, can be a follower at least one time. Their relationship is based on reciprocity

Hence, followers are obliged to share their results, tasks, problems, errors and vision with their superior. Indeed from their relationship depends the situation, the atmosphere, the performance of the company (Richard L. Daft, 2008).

Styles of Followership

The type of leader with whom the followers work, will influence their style. Chaleff categorized followers according to the dimension of “*the courage to support*” and “*the courage to challenge*” (Ronald E. Riggio, 2008, pp. 63-76). According to the author there are 4 types of followership:

- Resource
- Individualist
- Implementer
- Partner

Kelley suggested a similar theory categorizing 2 dimensions of followership (Kelley, 1992):

- Quality of independent, critical thinking versus dependent, uncritical thinking
- Active behavior versus passive behavior

Prior Researches demonstrated the impact of a bad relationship on followers. Their dissatisfaction can encourage them to quite their work or stay and sabotage it (Kelley, 1992). Goleman mention that followership should be the mirror of Leadership (Goleman D., 2002). This also shows the collaboration is a Key. Also, a supervisor has an impact on his worker commitment to the organization. The leader is the one who encourages, who helps to develop, who gives advice and praise. He is the one responsible for the wellbeing of his subordinate. According to the relationship, the follower will or will not feel good at work. This also depends on their personality because these attributes reflects the reactions and responses to the work environment.

2.3.3. How to overcome resistance to change: Reflection

Competition, economy, social trends, exigent customers and shareholders, technology, innovation, globalization are the main forces of change in an organization. But employees need to have consistent tasks and habits and plans. Changes lead to discomfort which can result in resistance. There are many explanations of what resistance means. Looking beyond, resistance of employees when there is an organizational change; it means something which is not obviously negative. Maurer defines resistance as “*a force that slows or stops movement*” (Maurer, 1996, p. 23). Resistance is a natural reaction because those employees are afraid to be harmed. Through this reaction, there is a message that without this complaint, any talk wouldn't have been possible. Therefore no improvement would have been done, taken into account employees needs and wills.

Coming back to leadership, a response in such situation would be first to understand the process of resistance and then learning how to take advantage on it. A leader must be engaged, demonstrate energy; use his experiences, to act properly and to encourage the change.

There are different types of resistance. Maurer considers three levels of resistance.

- The first level of resistance is the least intense.

The problem is in the idea of change. For instance it can come from missing information or understanding, concerning the change. It rarely has impact on the next challenges.

- Level two of resistance is semi intense.

The issues are deeper and are based on emotional reactions to the change. For example the feelings of fear or of isolations or loss of status can create this resistance.

- Level three the most intense resistance.

It involves deep-rooted concerns and problems that go beyond the change. Such issues can be personal or caused by differences in the group. For example a pattern of level two can change into level three intensity if there is a total lack of trust.

Maurer summarizes the levels in this way: The last level of resistance is the most difficult one to solve because it is related to cultural, racial or religious differences. To address it more sophisticated and long-term strategies are needed.

Friedman and Davidson describe *second-order diversity conflict* and contrast with *first-order diversity conflict* (Raymond A. Friedman). The latter arises from different identities, such as discrimination between groups. The second-order diversity conflict arises from the first order conflict. It comes from the people's reaction against the measures taken to solve the first order conflict.

Leaders who understand and cope with the resistance they encounter are able to develop the accurate strategies to address the needs and wills of their employees.

Robbins implemented six tactics to deal with change (Robbins, 2003).

- Education and communication
- Participation,
- Facilitation and support
- Negotiation
- Manipulation
- Cooptation

For leaders, resistance is an opportunity to demonstrate their abilities to run the organizations, their initiative to engage diversity and foster embarrassment and unity with their employees.

3. Motivation of Employees as a Key to the Success in Organizations

3.1. Motivation: what is it?

3.1.1. The new issues of managing employees: motivational challenges

“A person's motivation is a combination of desire and energy directed at achieving a goal. It is the cause of action. Influencing someone's motivation means getting them to want to do what you know must be done”.

(Quote from the U.S. Army Handbook, 1973)

In many researches, the relationship between motivation and leadership is sometimes not clearly stated. The effect of leadership on motivation at the workplace is sometimes not easy to understand and to observe. The concept of motivation deals with direction, intensity of an action and persistence (HomeBusinessAdvantage, 2008-2011) which is further developed in the next part. Managers seek to keep their employees attracted and interested in their work, to be independent and fulfill task in creative and innovative ways. Often the performance of a leader is controlled through the company profits, outcomes and more globally via the performance of the company. Nevertheless the relationship between leadership and motivation is strong.

For a manager, to reach a high level of leadership, there is a need to have a strong sense of self-motivation first. It has been proved that success does not come by luck, but when people are determined, persistent and when they do not give up that easily. Once a manager also plays a leadership role, it implies that he or she must be capable to motivate subordinates by inspiring, sharing a vision, encouraging to take actions. If this is done successfully, then subordinates should be able to clearly see that vision for themselves, and therefore they should also have a strong desire to achieve that common goal. To get people motivated and inspired to do their best to reach the common goal, a leader need to make sure they have a personal attachment to this goal and that they are committed. When employees will finally have their own sense of motivation, it means that the leader is successful.

The workforce is changing over the years. Behaviours, beliefs, values, experiences, thoughts are different for each generation and for each employee. The ways to motivate

employees must be constantly adapted and updated. Also, even though several workers have a similar background, have the same situation in their private lives, do the same tasks at work, they might be driven by different needs and motivations. Managers need to be aware of what motivates their workers to be successful. They have to be constantly close to them, not only at the beginning of their work. Expectations and needs change over the time (WebCraft Inc, 2008). A truth is that everyone is motivated in what one's believes (Clark, 2003). The challenge is in finding what makes employees effective at work. Furthermore each employee has a different perception of what success is. Knowing this, managers need to go beyond the multicultural workforce and understand what each employee thinks about what will prevent from enable the success of the company.

3.1.2. Different approaches to define the concept of motivation

First of all it is interesting to understand the psychological process of motivation (ROUSSEL, 2000, pp. 4-5).

1. The activation of a behavior

Represents the transition from inactivity to performing tasks that require an expenditure of physical, intellectual or mental energy. Motivation provides the energy required to perform the behavior.

2. The direction of a behavior

The motivation directs a behavior towards a goal. This is the incentive that provides the needed energy to achieve it.

3. The intensity of behavior

The motivation expends the energy according to the goals. It is manifested by the level of physical and intellectual exertion deployed to achieve work successfully.

4. The persistence of a behavior

The motivation expends the needed energy to regularly achieve goals. The persistence of behavior manifests itself in the persistence over time of direction and intensity characteristics of motivation.

Motivation deals with people. In all writings the concept of motivation deals with a direction chosen by a person and the persistence of an action in this chosen direction. Mitchell identifies four common characteristics in definitions of motivations (Mitchell, 1982).

- motivation is individual
It cannot be a common phenomenon. Each person has his or her own personal reasons to be motivated.
- motivation is intentional
Employees feel motivated or not. No one else can control the level of motivation of a person. Goals are not random but directed.
- motivation is multifaceted
There are several forces that can get people activated and several forces that engage people in a specific direction and overcome problems to reach their goal by keeping their level of motivation over long periods of time.
- the goal of motivational theories is to predict people's behaviours
Motivation is about forces that influence the performance, behaviours and choices of people's action.

Based on this reflection, the author defines the concept of motivation as the *“degree to which an individual wants and chooses to engage in certain specified manners”*. According to Maslow motivation is about intensity (depending on the amount of efforts), direction, goal and persistence in a task or in an idea (Louart, 2002). The following quotation about perseverance illustrates this last aspect:

“It's not that I'm so smart, it's just that I stay with problems longer”

(Albert Einstein)

Vallerand and Thill propose a broader definition of motivation. The English translation of the definition is as follows:

“The concept of motivation is the hypothetical construction used to describe internal and/ or external forces producing the activation, the direction, the intensity and the persistence of a behavior”.

(R.J Vallerand, 1993)

Reflection on this definition: it highlights the difficulty of directly observing the motivation of a person. It is a hypothetical construct which means a pattern of behavior that any individual is supposed to develop. This is a process that is triggered by the action of a motivational force. This force can depend on internal characteristics such as personal needs, stimuli, instinct, personality traits (hedonism fear, lust, greed, jealousy, etc). It can also be triggered by a force that depends on the external situation such as the working environment, the nature of employment, the management style.

3.1.3. The benefits provided by managing motivated employees

Employee motivation is a crucial aspect in the management of employees. Motivation is directly and indirectly linked to job performance. It makes employees act and therefore goals can be reached. If employees are willing to contribute to organizational goals then this will allow the company to make the best use possible of its resources.

Furthermore motivation contributes to the improvement of employee's efficiency. It can happen that an employee can be very qualified and on the same time not very efficient. The role of a manager is to reduce this gap existing between ability of the worker and his willingness to work. As a result, his or her level of performance will be higher. Consequently, productivity will increase and overall company's efficiency will improve.

In order to reach organizational goals, there must be a combination of several factors. They have to exist a healthy work environment and the best possible utilization of resources. Employees should be goal-oriented. Also to keep them motivated there should be a good combination of coordination (in their work) and cooperation (with superiors and collaborators)

Being motivated implies being satisfied. Being satisfied improves the quality of relationship in the workplace because people are more open and friendlier. An efficient cooperation leads to more stability. There will be fewer conflicts and employees would be more adaptable and less reluctant to change. In such situation individual's concerns will be more aligned with organizational concerns. As a final result, thanks to more productivity company will have higher profits.

Employee's motivation is also beneficial for the image of the company. The reputation of a company is partly composed of the stability of the workforce. If employees are loyal and

devoted to their company, then this contributes to good public image on the labour market which usually attracts competent candidates.

To sum up, at an individual level, motivation helps in self development as well as to achieve personal goals and it also increases job satisfaction. At a business level, the better the motivation of an individual, the more efficient and empowered a team is. As a result, if employees are involved, the business becomes more profitable.

3.2. Important theories of motivation

3.2.1. Content theories

Over the years many taxonomy of motivational theories have been proposed. There have been several adaptations until Ruth Kanfer (1990) proposes a new one that incorporates the latest advanced theories of motivation. Its classification is based on three paradigms:

- the needs - attributes and values paradigm also called the content theories
- the choice of cognitive paradigm also called the process theories
- the self-metacognition paradigm

This taxonomy is applied here to browse the main motivational theories that are today applied at the workplace environment.

The content theories are based on internal and situational factors of behaviors.

Maslow's Hierarchy of Need Theory

The premises of this theory, developed by Abraham Harold Maslow (1908-1970), are that people are driven by needs and that those needs are classified in hierarchical order. Lower unmet need has strongest effect and when the lower need is satisfied, next higher need becomes the primary motivator (Taras, 2008).

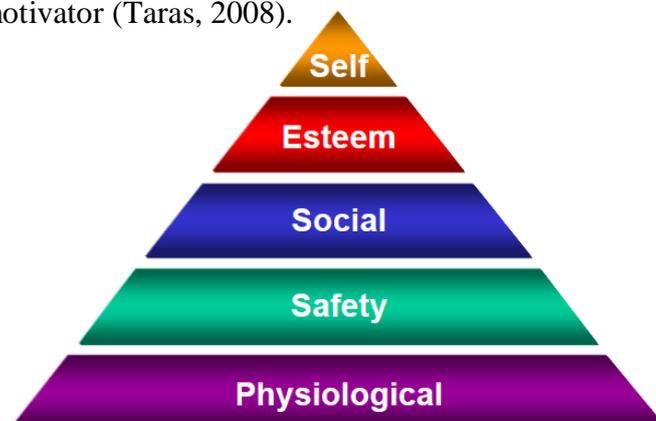


Figure 4: Maslow's Hierarchy of Need

Source: own study based on university course in Haskayne Business School

The primary fundamental needs to be satisfied are the physiological ones. Those types of needs include food, water, heat, sexuality, air. The workplace example could be that managers should offer breaks or lunch possibility to employees. Once those needs are fulfilled, new safe environment needs appear. The example is a need of having a shelter, feeling protected and enjoying a structured and stabilized life. In the workplace, such needs deal about having a safe job, good benefits, insurance. Next step is about belonging to a group, having a social life or friendship, being accepted by others. Those are the needs about love and affection so called the social needs that recently are fulfilled by joining “facebook” or other online social societies. In a company, it means healthy relationship with other employees and managers, being part of team works. To fulfill those needs managers can organize social events. The higher needs are the esteem needs which are self-respect, self-esteem and esteem of others. They deal with having a positive self image, receiving attention and appreciation. As an employee it is a motivation to be recognized and appreciated by superiors, having more responsibility, feeling that one’s is needed in the organization. At the top level of the Maslow’s hierarchy is the self actualization need. At that level all other needs are fulfilled and people are only concerned by developing full potentialities and capacities. This need is about how to become a better person. In an organization, worker’s concerns are about having growing opportunities, being trained and challenged, generally having possibilities to improve (Louart, 2002).

As a conclusion of this theory, the main implication for managers is, to recognize at what level of hierarchy of needs each employee is, and to influence on workers accordingly and to give encourage motivation. Described above Abraham Maslow framework is the first model of motivation. Most subsequent models have been based on Maslow’s invention.

ERG Theory of Motivation

Clayton Alderfer (1971) redefined Maslow hierarchy of needs in his own terms. His rework is called: “ERG theory of motivation”. He translates Maslow’s hierarchy of needs using his own words and categorized it into three classes of needs.



Figure 5: Association Maslow Theory of needs and ERG Theory of Motivation

Source: own study based on university course in Haskayne Business School

The lowest level, existence needs, deals with surviving. It includes physiological and physical safety needs of a material nature. The relatedness needs are concerned with the social environment meaning the interpersonal relationship. Finally the growth needs include self actualization and self development. There are implications for managers. If supervisors focus on one need at a time, employees will not be motivated. Also if an employee misses growth opportunities for example, he might go back to a lower level need. If it is an extreme situation, he could revert even to the need for money. The sooner the manager understands workers problems, the faster he will help his employee to go back to a higher level needs and pursue their development and company’s growth.

Herzberg’s Two Factors theory

This model, which is also called the Hygiene Theory has been developed by Frederick Herzberg (1968). His theory shows that some factors lead to job satisfaction (motivator factors) and others lead to dissatisfaction (hygiene factors). If the hygiene factors are not present or insufficient they may lead to dissatisfaction and as a result lower motivation.

Table 4: Herzberg's hygiene theory

Hygiene factors (leading to dissatisfaction)	Motivators (leading to satisfaction)
<ul style="list-style-type: none"> • Company policy and administration • Supervision • Interpersonal relations • Working conditions • Money • Job security • Status 	<ul style="list-style-type: none"> • Achievement • Recognition • RESPONSIBILITY • Growth and Development • Advancement • Work itself

Source: own study based on university course in Haskayne Business School

Table 5. Reflection: Combinations of motivation and hygiene factors

	High Motivation	Low Motivation
High hygiene	<ul style="list-style-type: none"> - High motivation - Few complaints 	<ul style="list-style-type: none"> - Low motivation - Few complaints
Low hygiene	<ul style="list-style-type: none"> - High motivation - Many complaints 	<ul style="list-style-type: none"> - Low motivation - Many complaints

Source: Own study

There are important implications for managers. If employees possess the needed hygiene factors, they will not be dissatisfied but they might also not be highly motivated for challenging goals. On the other hand, high motivators such as opportunity, recognition promote a high satisfaction and a good performance. Manager's roles are to get rid of dissatisfying factors by providing the good level of hygiene factors to meet the lowest needs. Once this is done, managers should provide motivators to meet higher needs and influence their workers to achieve more challenging goals and become more efficient.

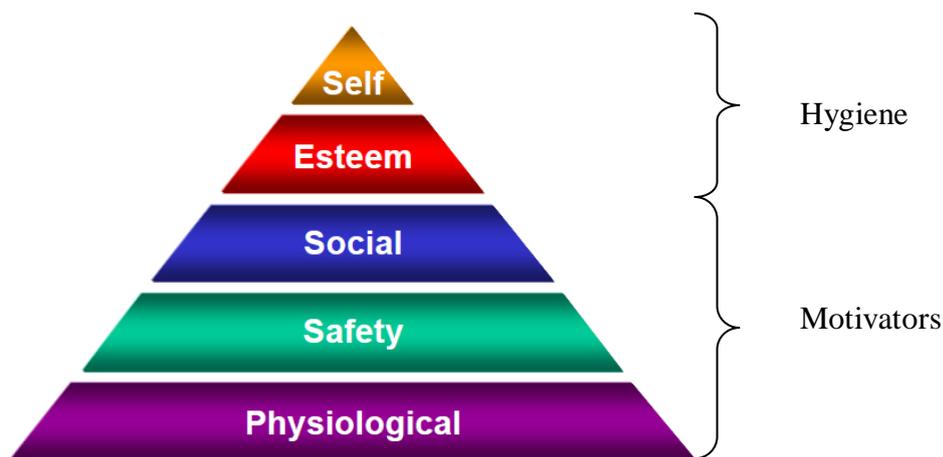


Figure 6 Association Maslow Theory of needs and Herzberg’s hygiene theory

Source: own study based on university course in Haskayne Business School

Analyses of the concepts

The two-factor theory focuses situational variables (WebCraft Inc, 2008). The theory shows that the greater the satisfaction, the better the productivity; however the whole model is centered on satisfaction. The reliability is doubtful because no detailed measure of satisfaction was used and this theory is based on natural reaction of workers. Actually an employee may globally like his job but he might also dislike some parts of it. Finally Maslow takes into account only the white-collar workers and not the blue-collar workers.

The Maslow theory is based on the premise that a person has to fulfill a need before satisfying the next need according to the hierarchy. It is a rigid view. On the other hand with the ERG theory, if a higher level does not satisfy anymore, a person can go back to a lower need and increase the satisfaction related to it. This phenomenon is called “frustration-regression aspect” (WebCraft Inc, 2008) of ERG theory. It is a more flexible model.. Herzberg view is that a person can seek for growth even if his existence or relatedness needs are still not satisfied. There is the example of the issue: “a starving artist” who lives on minimum spending, because he spends all his incomes in order to become famous. However it is not applicable and shows another limitation of the Maslow’s theory.

There are also classical theories of intrinsic motivation that have been developed in the 70’s. In this paper there will be just an overview of those researches. The classical theories of intrinsic motivation are a set of theories developed during the years 1970-1980 assuming that the triggering motivation is driven by the desire to satisfy primarily psychological needs. The theory of cognitive assessment is due to the work of Deci and Ryan (1971, 1985). Their basic

assumption is that intrinsic motivation would be aroused by needs that each individual develops. Those needs are about feeling competent and self determined. The motivational process would depend on all factors and dispositional context that might influence these two needs. Finally following the same paradigm, Adams (1963, 1965) developed the equity theory. Here the premise is that motivation comes from the comparison of individual's personal situation to others. Motivation comes from the existence of a dissonance between what is perceived and what is desired. The motivation is viewed through the individual's behaviors to reduce this dissonance.

3.2.2. Process theories

Expectancy theory

An important contributor in the field of process theories is Victor Vroom (1964) who developed the expectancy theory. Through experiences people develop set of beliefs about what rewards can be expected as a result of certain efforts (WebCraft Inc, 2008). The motivation is about doing what people believe will lead to most desired rewards. Also people are not motivated to do what they believe if it will not lead to desired rewards. The premise is the following:

$$\text{Level of motivation} = \text{Expectancy} * \text{Valency}$$

Explanation of the formula:

- Effort to Performance expectancy
Is the individual's perception that the effort will result in a level of performance.
For example: "if I work for an hour, I will accomplish it"
- Performance to Outcome expectancy
Is the perceived probability that a specific performance will lead to specific reward or punishment. For example: "if I accomplish it, I will get a bonus, if I won't accomplish it, and I will be suspended"
- Outcome valences
Is the anticipated satisfaction or dissatisfaction with the expected reward or punishment. For example: "bonus is good, suspension is bad".

There are implications for managers. Managers ensure that employees meet their needs and they reach the company goals. Also employees must receive rewards when they

deserved it. The rewarding system must be fair and equitable. Managers must design challenging and attractive jobs and often assess employee's motivation level.

There are some limitations of the expectancy theory. It seems to be idealistic because there is no clear evidence that individuals perceive such a strong link between reward and performance at work. Performance is also related to other parameters such as status, effort, responsibility, experience, knowledge.

Equity theory

In 1963, Adams developed the equity theory of motivation (WebCraft Inc, 2008). The assumptions are that people are more motivated if they believe that the rewards they get for their efforts are fair. This fairness of rewards is evaluated by comparing "effort-reward" ratio to that of others in similar characteristics as for instance a same department similar industry and same profession.



"O.K., if you can't see your way to giving me a pay raise, how about giving Parkerson a pay cut?"

There is also a self-serving bias (Taras, 2008): People are more likely to be concerned about equity when they believe they are under-rewarded. Motivation is very likely to decrease if people believe they are under-rewarded, but most likely there will be only a marginal improvement in effort if people believe they are over-rewarded, especially in the long run. To conclude, as long as an individual believes that others are not more rewarded or less punished than this person, than he or she is satisfied and motivated.

Kanfer (1990) contains a final set of theories whose developments are the most recent within the paradigm of self-regulation - metacognition. Those theories relate to the processes that occur between cognitive and emotional mechanisms of an individual when he wants to achieve goals once he has made a choice. These theories are based on the effect of goals on one's behavior. There are three main theories.

- The Goal setting theory which will be developed here (Locke 1968, Locke et al., 1981)
- The social cognitive theory (Bandura, 1986, 1991)
- The control theory (Carver and Shei, 1981).

The Goal- setting theory

Edwin Locke (1960) put forward the Goal Setting Theory. An appropriate question is: "how to motivate people" and an appropriate answer would be: "by setting the goals". The premise is that goal setting is linked to task performance. Goals should guide employee concerning what needs to be done and how much effort is needed to better perform a task. Another assumption is that individuals behave rationally and consciously. It has therefore a cognitive origin since the individual is supposed to have some control over his or her stimulus. He is able to behave and act consciously towards the goals he seeks to reach. Those goals must be specific, measurable, attainable, relevant and set in a given time (SMART) (Drucker, 1954).

Some limitations on this theory can be seen. There can be goal conflicts with what managers seek for instance and the organizational goals. Also if an employee has a lack of knowledge to perform a task then the goal setting theory can fail leading to discouragement of performance. Finally there is no proof that this theory improves job satisfaction.

3.3. Tips for motivating employees in an organization

3.3.1. What needs to be done for effective motivation at the workplace?

Motivation is different for each of the employees towards work. The reasons for working are as individual as the person. Through their work, people seek for something. This thing has an impact on morale, motivation and on the quality of life. Managers have some crucial roles. If they want to motivate they first should understand, and control their own

behaviors. Once they are aware of their strengths and weaknesses they will be able to encourage and help their subordinates. Evaluation is therefore crucial (WebCraft Inc, 2008).

Also a good superior should be acquainted with his workers. The better he knows them, the easier it will be to motivate them. A cordial relationship superior-subordinate is necessary for job satisfaction.

Managers should participate in candidates' induction program. When candidates read an offer, they already have some expectations, some impressions about the job and the company. The selection and recruitment process will positively or negatively influence the impression of the candidate about the job and the company. The implication of manager starts at the redaction of the advertisement where he should already have a say. It would be beneficial if he would be involved since the very beginning in the wellbeing of the potential employee (reallocation issue, date of start, family concerns...) because it would ensure a motivated start for the new employee

Managers should also provide employees with benefits but this will be developed in detail in the next chapter.

Looking deeper, employees like to know how they perform and how they are perceived. Managers should give feedback to the staff constantly. Those feedbacks (Carnegie, 1993) must be based on facts, on personal observations and certainly not on rumors. Managers must pay attention not to treat on favoritism or by comparing. Managers should also acknowledge their staff when they succeed in a task.

Successful managers suppose to ensure good time management by having "close" control to make sure work is done in a right way. It is useful to impose some "closed times" when no interruption is allowed and some "open times" when the staff freely interacts and speaks. Sessions could also be planned to listen to employees' requests and concerns. Showing individual attention will contribute to their motivation. Employees feeling towards work, hierarchy, environment, peers, and plans can be effectively done through the staff counseling.

Furthermore workers should have many opportunities to develop their competencies about work. This is because more and younger blood employees notice the importance of continuing learning to remain employable. Still about learning, managers are often considered as models by their workers. Therefore they should be aware of what they say, how they react, about their body language.

People often negate the power of smiling. A smile impacts on the morale, on the work environment. It is part of the body language. It means acceptance bravery, self confidence, it demonstrates a positive attitude. Consequently it encourages new ideas and employees are more willing to discuss.

Another aspect is empathy. A manager who effectively listens encourages workers to speak more, to give their opinions. The latter feels more respected and treated as an individual not only as an employee. It impacts on their moral and thus on their motivation. Ensuring an effective communication (paying attention of expressions and of tone voice, suggesting and not ordering, sharing views...) and encouraging creativity are also needed. Staffs should be pushed to solve organizational problems, be part of brainstorming sessions (take part in ?) Furthermore flexible managers are more appreciated than rigid managers. For instance allowing employees to work at home from time to time, having flexible hours are also source of motivation.

Also Job enrichment is a good tip for motivations. It implies giving room for a better working environment, giving more challenging job with more promotional and self development opportunities. It also implies involving subordinates in the decision making process, being thankful and reward when they achieve something.

3.3.2. Motivation incentives

In his book, “The leader in you” Dale Carnegie (1994), speaks about the importance of valuing employees, of welcoming them, encouraging them to take risks, training them, congratulating them, letting them decide, sharing success with them, asking about their opinion, respecting them. By demonstrating trust, respect and attention towards subordinates, a manager will be surrounded by motivated people (p45).

There are several types of incentives to increase motivation. Incentives are additional salary or benefit in recognition of achievement or good work. A hope for a benefit is a powerful incentive to motivation. Besides monetary incentive, there are some other stimuli which can drive a person to better.

Monetary incentives (Andrew Ballentine, 2011) satisfy the subordinates by providing them financial rewards. It is very beneficial because it satisfies different needs. It satisfies social needs because employees can afford various material items. It also satisfies psychological and security needs. That is why companies often introduce wage plans and

bonus schemes, profit sharing, stock options, warrants, additional paid vacation... to stimulate workers.

The idea that people come to work only for money is not entirely correct. At the beginning of the 20th century, this assumption was made by managers that people come to work because of economic motives. Financial incentives were primarily used. Taylor (1911) introduced the scientific management concept following this assumption of monetary incentive (WebCraft Inc, 2008). By the 1930s, views started to change. Researches such as the Hawthorne experiments (Gillespie, 1991) demonstrated that people have different needs linked with personal relationships. After World-war two, researches showed that people have a variety of needs. For example, as showed in the previous part through the classic theories, employees look for self-actualization, self-development. They seek for opportunities to have more responsibility to reach their goal successfully. Alfie Kohn (1993) argues that financial incentive encourages compliances and discourages risk-taking (Kerr, 1997). This is due to the fact that most rewards are based only on performance and not on creativity. He also argues that it can also be a way to avoid problems. For example, incentives to boost sales can hide bad management. Furthermore monetary incentive can impact on relationships transforming collaborators in competitors the challenge for today's management is to be aware of all the variety of needs employees can have and to be able to meet those needs.

Besides the monetary incentives, there are non-monetary incentives to satisfy the needs of employees.

- job security

This is an incentive to keep employees motivated because, it makes the employee free from stress of losing his or her job. Therefore he can focus on achieving the company goals.

- recognition or praise

This plays an important role. A manager who congratulates workers demonstrates his concern for them.

- through suggestion schemes, employees feel more needed.

For instance, publishing notes, articles written by employees to ameliorate work environment motivates them because they feel important, it encourages their creativity and is beneficial for the company...

- it was also mentioned earlier, but job enrichment is another non financial incentive to improve employees' work.

Ways to enrich jobs can be by giving more responsibility, making jobs more challenging by changing the content, the nature and the difficulty of work.

- promotion

Employees are satisfied and more committed to their work because they feel there are opportunities for growth.

As a conclusion, once again the bottom line is that almost everyone works for money whatever the personal reasons are. Money matters can take different forms: compensation, salary, bonuses, benefits, remuneration. Nevertheless it is not sufficient. Once workers have money, they need to keep motivated on their work on an everyday basis and this is first of all the role of leaders to motivate their subordinates.

3.3.3. Motivation and Morale

Morale is common term in organizations (WebCraft Inc, 2008). More generally when people talk about morale, it is a sense of comfort, enthusiasm, self- confidence and happiness. In a company it is about the ability of a team to work together to reach a common goal. High morale implies most often high efficiency of a group. Morale can be defined as the total satisfaction of a person that he gets from work, individually or being part of group, or from his manager. It generally relates to the feeling of individual's comfort, happiness and satisfaction. Many similar definitions exist to explain the meaning of Moral in an organization:

In their book "Personnel Management and Industrial Relations" D.Yoder and Paul D. Standohar (1982) define moral as "*evident commitment, that is, demonstrated spirit, enthusiasm, and confidence in the organization's policies, programs, and accomplishments. Morale is revealed by what individuals and groups say and do to show an interest in, understanding of, and personal identification with work team survival and success.*" (D. Yoder, 1982)

According to T. Haimann (Punam Sahgal, 2007) moral is a *state of mind and emotions affecting the attitude and willingness to work, which in turn, affect individual and organizational objectives*

Joseph D. Mooney provides another explanation of what morale as *"the sum total of several psychological qualities which include courage, fortitude, resolution, and above all, confidence"*

In other words morale concerns a combination of employees' behaviors and feelings, manifestation of point of views, feelings toward superiors, colleagues and peers. Morale refers directly to the job of an employee individually or in team to reach common goals. Morale depends on expectations versus reality. The closer expectations are from reality the higher moral will be. The level of morale is a result of the degree to which the needs of the individual are fulfilled. Moral can be high and can be poor.

Ralph C. Davis explains good moral in an organization by *"Good organizational morale is a condition in which individuals and groups voluntarily make a reasonable subordination of their personal objectives of their organization"*. (Davis, 1958)

Edwin B. Filippo explains moral as *"a mental condition or attitude of individuals and groups which determines their willingness to co- operate. Good morale is evidenced by employee enthusiasm, voluntary conformance with regulations and orders, and a willingness to co-operate with others in the accomplishment of an organization's objectives. Poor morale is evinced by surliness, insubordination, a feeling of discouragement and dislike of the job, company and associates."* (B.Filippo)

When moral is high it implies determination at work. In this case, employees, being part of a team, have a feeling of belonging and being committed to the company. Other characteristics of high moral are when environment is healthy, communication is effective, productivity increases and motivation is high. Conflicts are quickly identified and solved.

Low or poor moral has the following characteristics. It causes conflicts to occur often as well as absenteeism at work. Also labor turnover is high. Concerning managers, they become globally dissatisfied and employees frustrated and unrest, working environment is poor and there is a need of discipline, productivity is low as well as motivation. Though motivation and morale are related concepts, they have differences features:

- Higher motivation often leads to higher morale of employees. On the other hand high moral does not imply high motivation. Actually employees can be very optimistic and not be very efficient at work.
- While motivation is an internal motive of an individual, , moral is more of a group concept
- In the workplace moral is underestimated compared to motivation. The reason for that is that good motivation leads higher productivity, while high morale does not obviously imply high productivity.
- Morale usually deals with things that are part of the work environment. On the contrary motivation is related to the performance of the individual.

4. Managerial practices in Europe and North America: towards a “global” management

4.1. Emergence of a model: The global manager

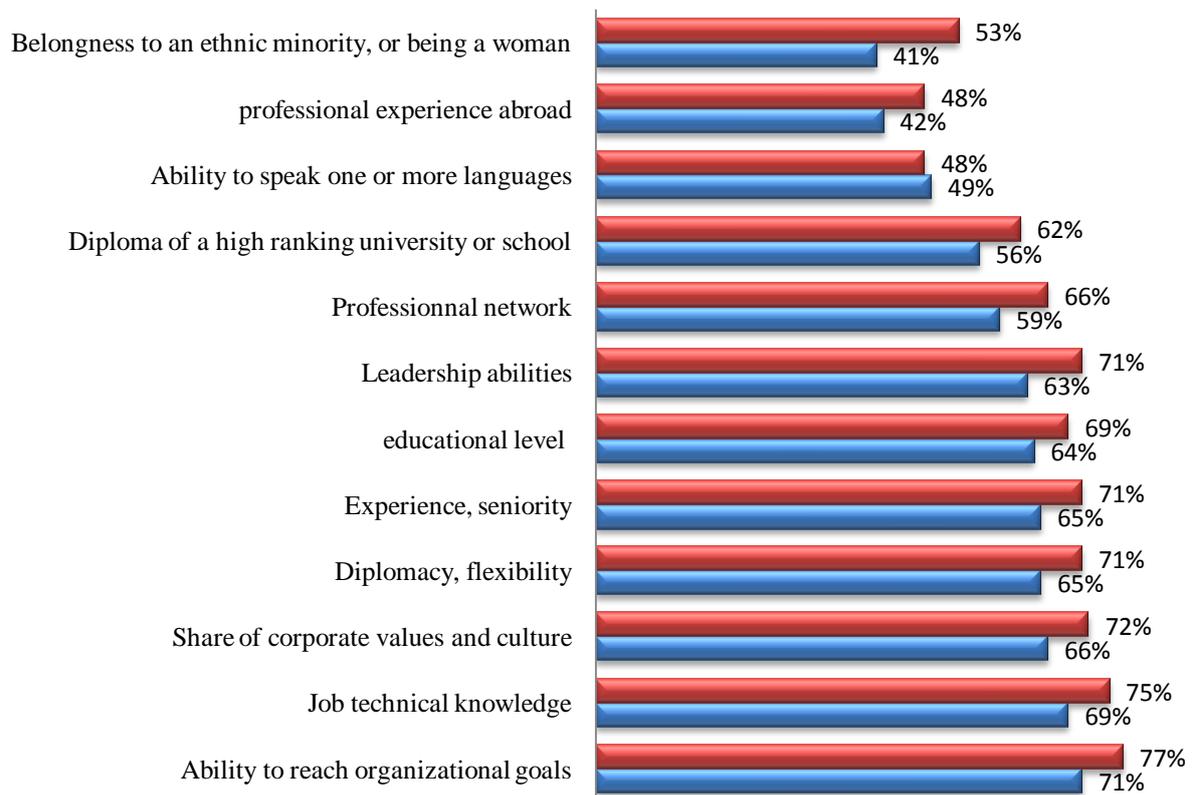
Modern economy is globalizing. Companies internationalize and management practices converge more and more. Furthermore ranking in this field are now made at an international level. Hence this fast spread of globalization has increased the complexity of management practices and has created a worldwide economy in which individuals, businesses and societies are inter-connected. Following the development of global businesses, there is a need of people able to manage this complex international environment and to develop sustainable value and vision for their organizations. Leaders are able to face those global challenges; they are multi-faceted people with a strong global mindset (Thunderbird) along with excellent entrepreneurial and global business skills. The following study will demonstrate in what way this trend impacts organizations and managers roles.

4.1.1. Recruitment models that participate in the development of a “global” model

“Recruitment is not just about filling jobs that are vacant right now or filling jobs that may become vacant soon; it is about making a continuous, long-term investment in attracting a high-quality workforce capable of accomplishing the organization’s mission now and in the future.”

From the U.S. Merit Systems Protection Board 2004 Report, “Managing Federal Recruitment: Issues, Insights, and Illustrations” (Thunderbird)

Recruitment strategies have become a challenge. The scale of finding the good people is changing into a coordinated global action at the local, regional and global levels. In order to have a better understanding of what employees expect, a survey has been made by “APEC” on the subject of recruitment and promotion of a manager (APEC, IPSOS Loyalty, 2010).



QUESTION: When it comes to recruitment or promotion of managers, how important does your business grant to each of the following? *Base: % sub total importance/ all employees*

Figure 7: Ranking of managerial qualities

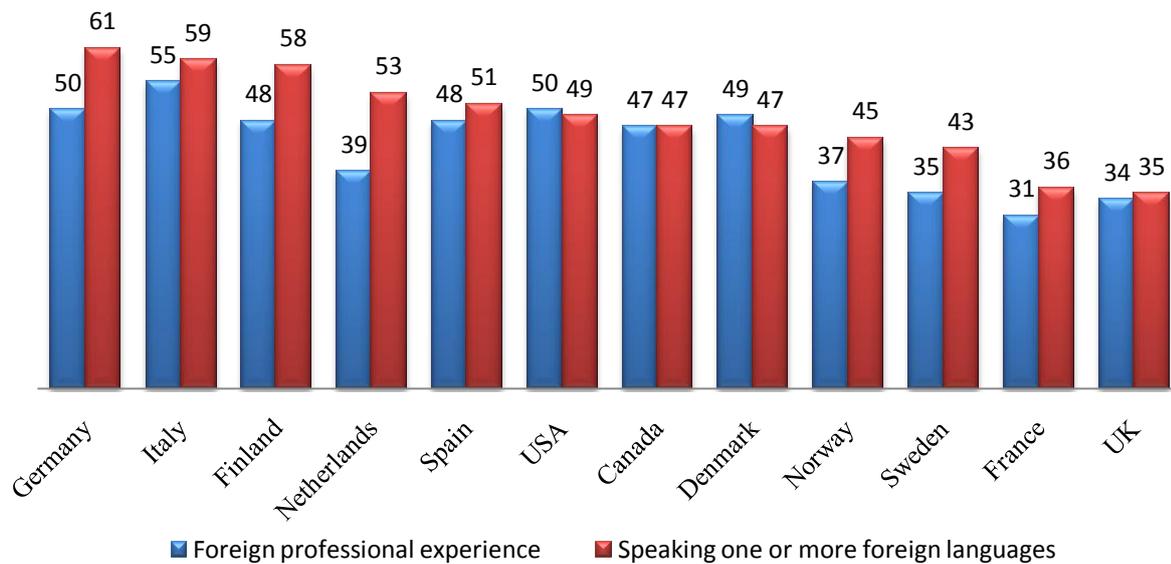
Source: APEC, IPSOS Loyalty. (2010). *Représentations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique?* Study, Paris.

Whether they are in North America or in France, employees generally agree on the fact that recruitment and promotion of a manager primarily depends on his ability to meet organizational goals (respectively 77% and 71% of the surveyed employees think this is an important ability). Also important is the job technical knowledge. 75% of North American employees and 69% of European employees agree on it.

These two criteria combine performance and expertise and results show that they are considered as being the traditional characteristics of managers.

Next comes a set of qualities such as share of corporate values, leadership, diplomacy, experience and educational level which are usually considered as being important in recruitment and promotion process. Finally, in North America and in Europe, interviewees agree that having had a professional experience abroad, speaking foreign languages, belonging to an ethnic minority or being a woman are less significant criteria to reach a management level status.

4.1.2. The international dimension of the resume



QUESTION: During the recruitment and the promotion process of managers, how important are the following characteristics for your company? *Base: % sub total importance/ all employees*

Figure 8: Histogram representing managers' responses about two managerial characteristics

Source: APEC, IPSOS Loyalty. (2010). *Représentations et Pratiques Manageriales en Europe et e Amérique du Nord: Vers un Modèle managerial unique?* Study, Paris.

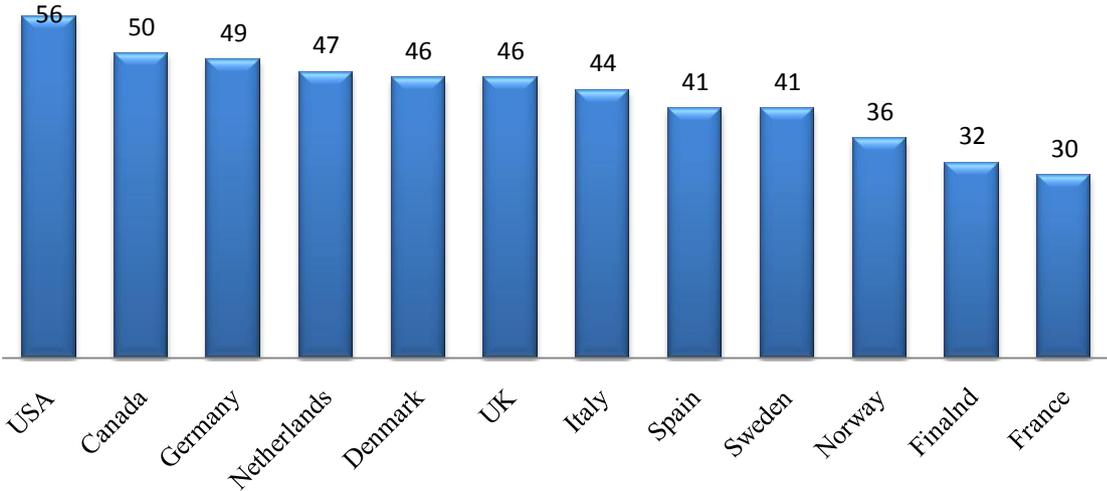
This survey shows that the international aspect of the resume is more observed in Germany, Italy, Finland, Netherlands and Spain. In those countries, employees agree that speaking foreign languages is important when recruiting and promoting a manager. This can be justified by the fact that the economy of those countries depend strongly on international trade. They are categorized as “open economies”. Therefore managers need to be able to negotiate in foreign languages and to drive multi-cultural teams.

On the contrary it is still not so crucial to have worked abroad or to speak a foreign language in France or in UK when applying for a manager position. Actually only 36% of French surveyed employees and 35% of British surveyed employees consider that speaking more than 1 language is needed. For UK, the result is logical because as it is an English speaking country they do not have such a strong need to speak foreign languages as English is broadly used in the business world.

These differences between countries will probably decrease in the next years thanks to the European harmonization of diploma and also because more and more students are encouraged to study abroad (Erasmus program, double diploma program...).

4.1.3. Belonging to a minority

There is a quite big difference between countries in the consideration of belonging to a minority or of being a woman.



QUESTION: During the recruitment and the promotion process of managers, how important is it for your company to belong to minority or to be a woman? *Base: % sub total importance/ all employees*

Figure 9: Histogram representing managers’ opinion on two employees’ characteristics

Source: APEC, IPSOS Loyalty. (2010). *Representations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique?* Study, Paris.

In the USA and in Canada, it is a bigger concern. Indeed, the diversity issue and the fight against discrimination at work constitute, since a long time, the center of attention of human resources management policies (as through quota policies). Also through decades, women gained rights to study and to work on similar positions than men. But this change started around 100 years ago only, not earlier so it is a huge improvement, today even women can be CEO. Over the years this difference between men and women’s position will decrease.

On the other hand, it can be observed that in France, Finland, Norway and Sweden, it is still a secondary criterion. Even though in Europe companies are more and more aware of it, still many companies have not changed their recruitment and promotion policies yet.

Nevertheless there are some changes going on such as diversity plan, multiplication of quotas policies which suggest a uniformity of results in the future.

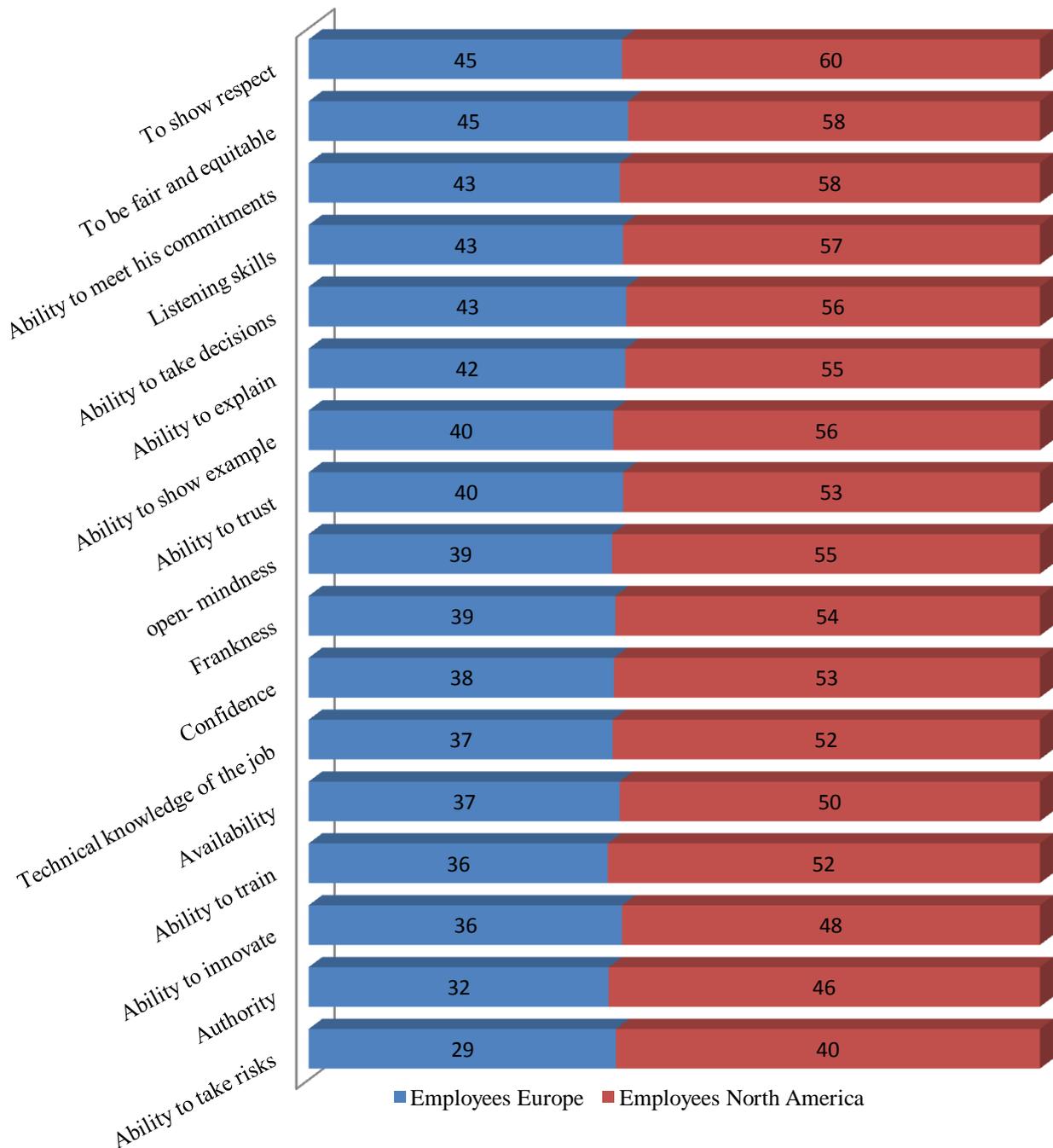
4.1.4. Common qualities of a good manager expected by employees

Some managerial qualities are characterized as “basics”. All managers should possess those fundamental traits. The survey proves that there are such qualities that are considered to be indispensable in North America as well as in Europe. At the top of the ranking can be found: To show respect, to be fair and equitable, ability to meet his commitments, listening skills, ability to decide, to explain and to show example. Without those attributes, it seems to be difficult to build a trustworthy relationship between the manager and his team. On the contrary employees judge less important the ability of a manager to take risks, to innovate and to train. As a conclusion, this survey should a consensus between Europe and North America on the topic of the expected fundamental qualities of a manager. Nevertheless, North American employees seem to be more concerned than European surveyed employees on the following characteristics: To show example (56% vs. 40% in Europe), open- mindedness (55% vs. 39%) and ability to train (52% vs. 36% only in Europe). North American employees give a greater emphasis to the ability of a manager to train or in other words, to the ability of a manager to be a leader¹. Being a leader is a key point of the definition of “global manager”, this model can be seen as more “American” than “European”.

Focusing on details of these criteria, it can be noticed that different qualities are expected from a good manager in different countries. North American and European managers’ employers require opposite degrees of intensity of same qualities. This also demonstrates differences in level of awareness of the “global” model.

The following graph shows that this awareness is not that obvious in Latin European countries (Italy, Spain and France). On the other hand Anglo-Saxon countries such as Germany and UK are closer to this model. Consequently countries for which the model seems to be part of their management practices are Canada and the USA. Finally, it is more difficult to categorized Scandinavian countries as they are not homogeneous. Finland is closer to Latin European countries than Norway, Denmark and Sweden.

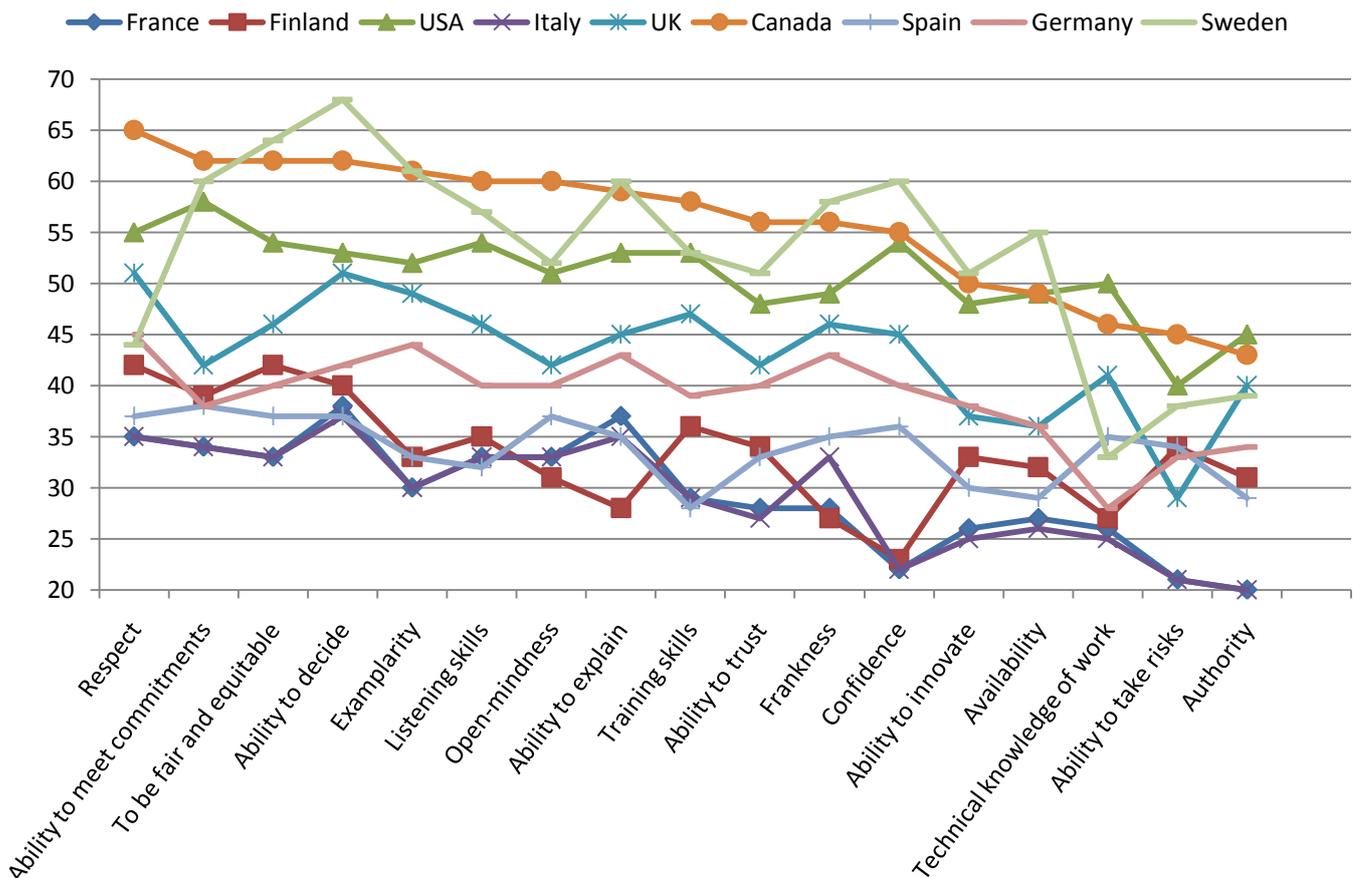
¹ Please refer to Chapter 2.1.1. to read more about the differences between managers and leaders



QUESTION: If you think about the qualities a manager should possess in your organization, how important are the following qualities? *Base: % sub total importance/ all employees*

Figure 10: Representation and comparison of managerial qualities

Source: APEC, IPSOS Loyalty. (2010). Representations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique? Study, Paris.



QUESTION: If you think about the qualities a manager should possess in your organization, how important are the following qualities? *Base: % sub total importance/ managers*

Figure 11: Graph representing and comparing qualities between countries

Source: APEC, IPSOS Loyalty. (2010). *Representations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique?* Study, Paris.

As a conclusion of this part, managers and employees wherever they come from, have globally the same opinion about the fundamental attributes a good manager should possess (respect, equity, trust, ability to listen...). Nevertheless, mostly North American workers expect to be managed by leaders. In global business magazines, There often stories about those are american managers who are TOP managers. Those people like Jack Welsh, Steve Jobs, Gates, and others are presented in worlds' press as leaders.

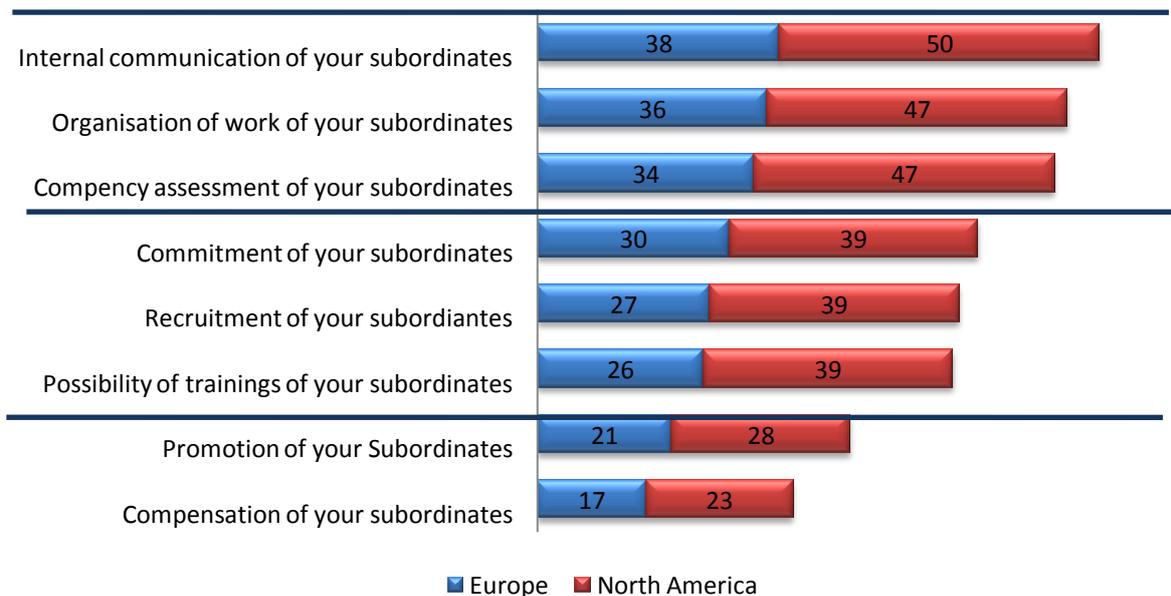
As mentioned in chapter 2, compared to managers, leaders know how to motivate teams, to train, to manage a cultural divers team (open mindedness, foreign languages...) and to take decisions even during crisis (by remaining diplomat and flexible for instance). Those are the key characteristics of a "global" manager.

4.2. A model not that easy to implement in practice

In this part will be shown whether managers have enough influence to implement this “global” model they wish to follow. Also, there will be a deeper analyze of the fundamental qualities a manager should have. The issue is about conciliating this model (based on training skills, meeting commitment, leadership...) valued by managers with the expectations of employees. Two important questions can be stated: how do they imagine an ideal manager? and what are their opinions about actual managerial practices?

4.2.1. A limited influence felt by managers (and engineer) and by directors (and senior managers)

At a first glance, answers are quite different according to the field of study. In Europe and in North America, respectively 38% and 50% of questioned managers think they have the biggest influence in internal communication within their teams. It suggests that they have a primary role of “animation”.



QUESTION: As a manager, how do you evaluate your level of influence in each of the following field? *Base: % a lot/ managers*

Figure 12: Evaluation of the influence of managers

Source: APEC, IPSOS Loyalty. (2010). Representations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique? Study, Paris.

At the second rank, 36% of questioned European managers and 47% of questioned North American managers declare having a strong role in the organization of work. This field is closely linked with the following one in the ranking which is competency assessment. Those two fields show a second main role of managers which is “organization”. Thus, slightly more than one third of European managers and half of North American managers declare having a lot of influence in these 3 fields of study.

However, they feel less influent on domains related to commitment and involvement of their workers. Actually, for the criterion commitment and recruitment of your collaborators and possibility of training of your collaborators, results vary between 26% and 30% in Europe and are close to 40% in North America. Yet a good manager should not only animate, organize and plan but also be able to train, to engage, to form and to follow his workers. .

The third part of the graph shows that managers have an even more limited influence on compensation and promotion of their employees. It can partly explain why they have difficulties to engage their workers. Indeed, in chapter 3 on motivation, it was shown that compensation and possibility of promotion of employees are strong motivational factors.

To conclude on this survey, managers do agree on this idea of a “global” model. However, in practice there is a gap between the ideal model and what is really going on in today’s organizations. This graph highlights that they do not have enough flexibility or enough impact when they have to take decisions about their teams. This is a limit of the global manager model.

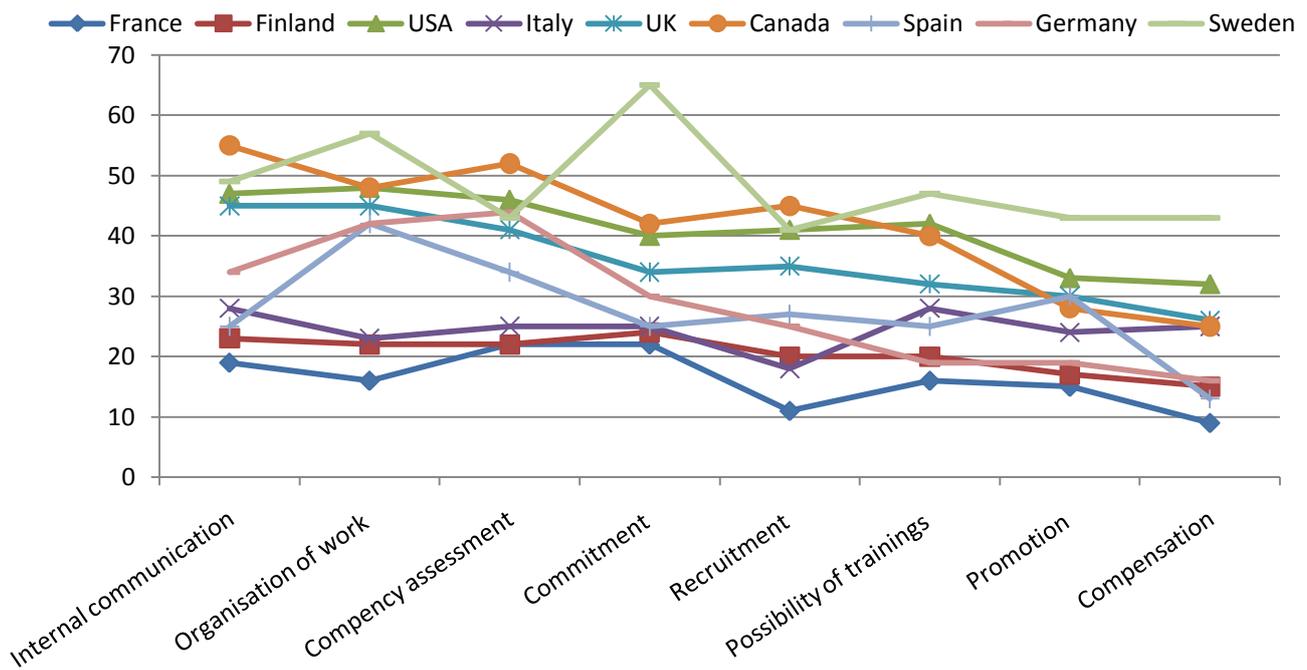
Perception of influences diverse according to the level of management in the organization. The two following graphs allow a comparison between directors, senior managers (the highest rank in the hierarchy) and the lower hierarchy level composed of managers and engineers. Although they have a similar perception of a limited influence especially concerning compensation and promotion, directors and senior managers have more impact than their subordinates. Actually for the fields of recruitment, promotion and remuneration spread between the 2 management levels equals to respectively 9, 8 and 13 points in North America and 7, 8 and 9 points in Europe. The gap between the model and the reality is therefore more felt by managers and engineers.

The graphs also confirm that directors and senior managers have more freedom and impact on the commitment of their teams.

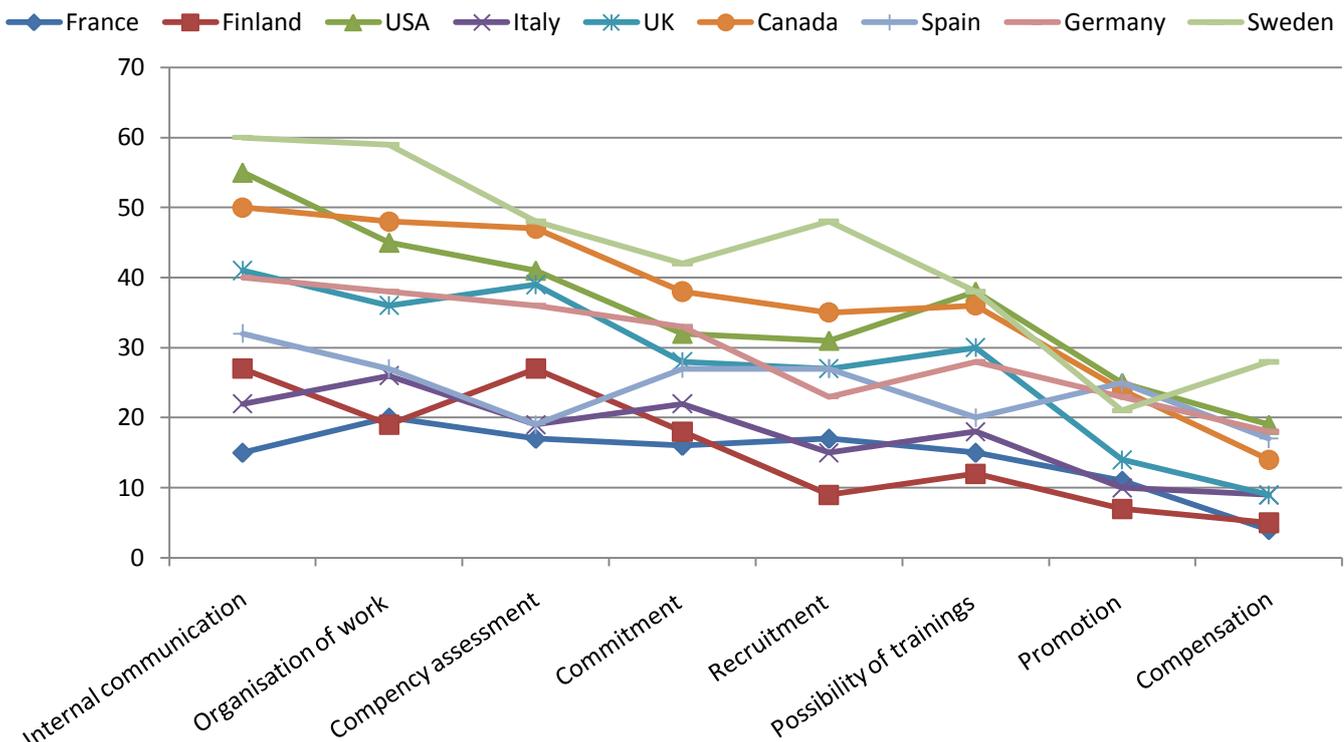
Looking now at a country level, there are some local disparities within each category of managers. First of all, directors and senior managers have a variable influence according to where they are located. Thereby, good levers for remuneration and promotion exist in Sweden and North America but are less obvious in France, Spain or Finland. In North America and in Sweden more than 30% of them assess that they influence a lot, whether less than 20% of directors and senior managers consider being strongly influenceable in France, Finland and Spain.

Similarly, perceptions of managers and engineers are contrasted with locally different level of influence. Managers from latin countries as well as from Finland consider themselves as having a weak influence on workers. In Anglo-Saxons countries, it is an intermediary level of influence and in North America as well as in Sweden those managers and engineer are able to influence quite well their teams. Once again Scandinavian countries results are dispersed despite the geographical and cultural proximity of countries in that region.

To conclude, this part highlights some important cultural aspects. It has been demonstrated that Swedish and north American managers consider having more flexibility than the other countries. Therefore they appear to be closer to the “global” model. On the contrary, Finish and latin managers still have some improvements to implement to become more open for global economy.



Base: % a lot/ directors, senior managers



QUESTION: As a manager, how do you evaluate your influence on subordinates in the following fields? Base: % a lot/ Managers, engineers

Figure 13 and 14: Perception of influence on workers

Source: APEC, IPSOS Loyalty. (2010). *Représentations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique?* Study, Paris.

Some “basics” which do not obviously exist in organizations

Table 6: Perception of direct superiors

Differential Europe vs. North America base on % of agreement	Employees North America	Employees Europe	Discrepancies
Knows to delegate	74	70	-4
Is available when needed	77	72	-5
Maintains commitments	76	71	-5
Inspire confidence	74	69	-5
Gives ambitious and reachable objectives	75	68	-6
Develops competences of team members	72	66	-6
Communicates well with team	76	69	-7
Is fair and equitable	76	69	-7
Takes the good decisions even during crisis	75	68	-7
Organizes efficiently teamwork's	74	67	-7
Shares success	73	66	-7
Encourages teamwork	78	70	-8
Shows example	75	67	-8
Knows how to motivate to improve performance	74	66	-8
Help to use full potential	74	66	-8

QUESTION: Please indicate whether you agree or not with each of the following affirmation.
You direct superior is...

Source: APEC, IPSOS Loyalty. (2010). *Représentations et Pratiques Manageriales en Europe et e Amérique du Nord: Vers un Modele managerial unique?* Study, Paris.

The table above shows that employees globally expect “classic” managers to possess those fundamental and basics qualities. They expect most of all a respectful and exemplar behavior, empathy ability and capability to trust.

Employees seem to be unequally satisfied of their direct superior. The first difference holds between North America and Europe. Being asked on managerial practices, North American employees are globally more satisfied of their direct superior than European employees. This is true for all the items including those qualified as “basics” of the

managerial relationship. There is no score under 72% of favorable results in North America and only 4 items (teamwork, availability, ability to meet commitments and ability to delegate) exceed 70% of favorable answers in Europe.

For the items exemplarity and teamwork, ability to motivate and ability to help to use full potential, contrasts between North America and Europe are the highest (8 points difference between the 2 regions).

Among countries there are some important differences. Statistical results show that some drawbacks in managerial practices. On one hand there are countries with a level of satisfaction, within which direct superiors are well appreciated by workers. On the other hand there is a less satisfied group of countries where employees do not have such a good perception of their managers. In this last case there are two possible reactions. Either the countries have a decent satisfaction level on the so called “basics”, or they are completely unhappy on every aspect. To sum up this study, the graph below has been created based on assessment questions by managers.

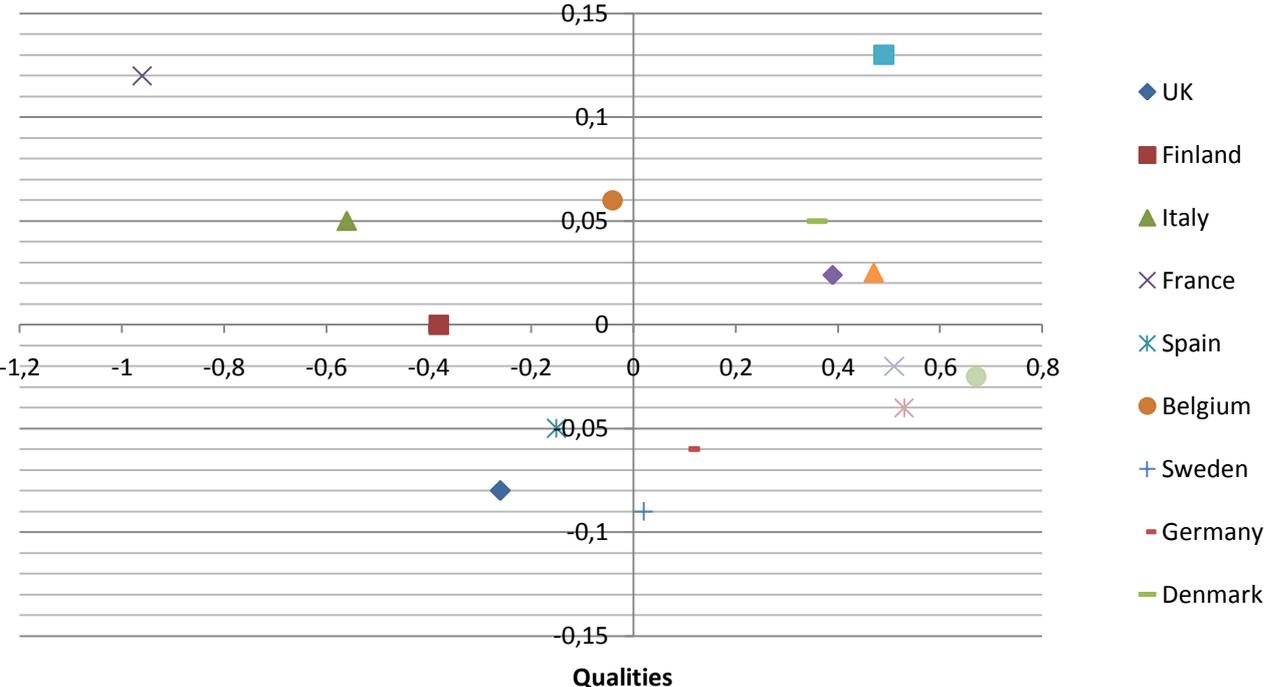


Figure 15: Principal component analysis on issues of evaluation by managers of non-management practices²

Source: APEC, IPSOS Loyalty. (2010). *Representations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique?* Study, Paris.

² Due to lack of original data to realize this study, this graph is a copy form the visible data mentioned in the report.

To keep the graph easy to read, the qualities listed below have not been added. They should be grouped and ranked slightly above and slightly under the x-axis between 0.6 and 0.8. They should be on the right side because they represented the “ideal” manager who should possess all those qualities:

- Knows to delegate
- Is available when needed
- Maintains commitments
- Inspire confidence
- Gives ambitious and reachable objectives
- Develops competences of team members
- Communicates well with team
- Is fair and equitable
- Takes the good decisions even during crisis
- Organizes efficiently teamwork's
- Shares success
- Encourages teamwork
- Shows example
- Knows how to motivate to improve performance
- Help to use full potential

To build this table answers of the previous 15 questions have been summarized.

The horizontal x- axis ranks countries according to their global satisfaction level of their superiors. Hence on the extreme left side are countries where managers are the least satisfied with their direct superior as opposed to the most satisfied managers in the extreme-right side. The USA, Canada, Norway, Netherlands and Switzerland seem to be the closest from the “global” model.

The vertical y-axis distinguishes the nature of the quality of managers (essential vs. extra).

Analyzing this graph in more detailed way, managers can be divided in 3 main groups:

1. North Americans, Netherlands, Norwegians, Swedish, Portuguese - who have a positive perception of all aspects.
2. Belgiems, Germans, Danishes, Swedish, Spanish, English - who are more critical towards their superior but have a good perception concerning the fundamental qualities their manager should have.
3. French, Italian and Finish - who are not really satisfied of their bosses even on the “basics” qualities.

4.3. Managers: Behaviours and reactions towards pressure and current changes

The first part verified the increasing influence of a manager as leader in North America and Europe. The second part of this chapter dealt with the gap between managers wishing to follow the “global” model and the reality of managerial practices and teams expectations. This unconformity can create tensions among those managers who encounter troubles in their roles and impacts. The point is that they have to handle this pressure and cope with it. How well can they do this?

4.3.1. Types of tensions managers encounter in today’s organizations

From the previous study, 3 types of tensions can be listed.

1. The gap between the model imagined by employers and expectations of their workers.

It has been shown that managers seek for getting closer to the leadership model. However, employees mainly still have the perception of “traditional” managers (with a strong focus on “basics”) even though this view starts to change, especially in North- America. Therefore managers must be able to fulfill diverse but non-contradictory expectations. First they are the leaders, second there are those “global” managers in between and in the end they are those respectful team-oriented managers. Thus, despite the increasing complexity of business environment, they have to find the right balance to be able to fulfill all needs.

2. The gap between expectations of managers concerning what they could do and the real flexibility of their actions.

Managers suffer from a lack of flexibility in their actions and from a limited influence on some fields such as compensations, promotion and training. The question here is: how can they manage the pressure existing between the “global” model they wish to follow (where leadership and training skills prevail) knowing their lack of tools to get their teams more involved?

3. The more or less important failure on “basics”.

There have been demonstrated different levels of failures from one country to another. According to the hierarchy level perception of superiors is more or

less positive. In some countries those lacks of managerial skills exist even on “basics” of qualities. Thus the tension is not only between models but also between the manager and his subordinates.

4.3.2. Different level of tensions felt by managers according to their profiles

This study aims to demonstrate which type of managers copes the best with those different tensions. Also there will be an analyze showing whether or not this situation differs from one country to another.

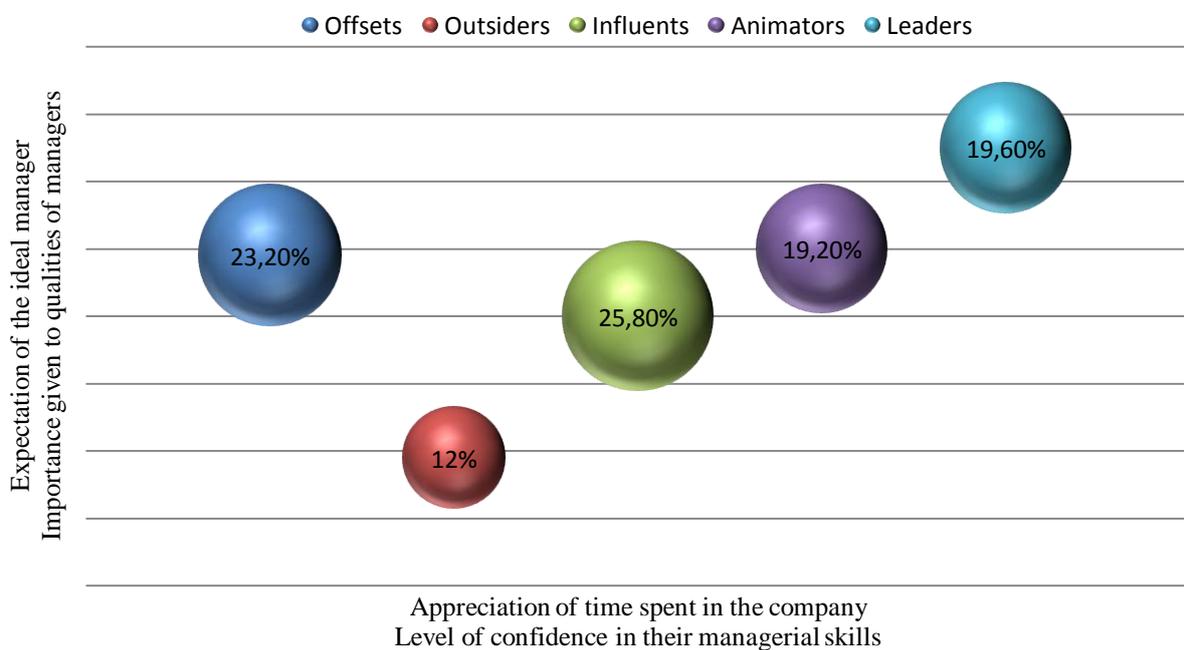


Figure 16: Profiles of managers

Source: APEC, IPSOS Loyalty. (2010). *Représentations et Pratiques Manageriales en Europe et e Amérique du Nord: Vers un Modèle managerial unique?* Study, Paris.

To build this graph, a segmentation on population has been developed. It classifies the population of managers in homogeneous groups of people according to their answers to the following questions (previously answered in this chapter):

1. When it comes to recruitment or promotion of managers, how important does your business grant to each of the following? (scale based on importance for suggested items)

2. If you think about the qualities a manager should possess in your organization, how important are the following qualities? (scale based on importance for suggested items)
3. As a manager, how do you evaluate your level of influence in each of the following field? (scale based on importance for suggested items)
4. You direct superior is... (scale based on managers agreement with suggested affirmations)

The segmentation has been made so that two individuals from the same group are as similar as possible and two individuals from distinct groups differ as much as possible.

From this analyze, five managerial profiles emerge and some remarks can be presented as follows:

- “Leaders”, “Animators” and “Influent” managers are able to find a balance and to suffer too much from the tensions.
- “Offset” managers are submitted to the strongest tensions while facing the highest expectations from their workers.
- “Outsiders” managers are far away from the others. They do not fit to the global model, it is rather the opposite.

First of all “Leaders” are those aligned with the “global” model of management. Therefore they do not feel those tensions. Their roles are closely linked to their company’s expectations: they are hired and promoted in organizations where their traits and attitudes are valued:

- | | |
|--------------------------------|---|
| • Ability to lead and to train | • ability to meet organizational commitments |
| • diplomacy | • easy adaptation to the company values and culture |
| • flexibility | |

Furthermore, those “leader” managers are influent enough to be very close the ideal vision of a “global” manager. Their positioning in a company is positive. Their way of thinking fits perfectly with the company orientations and expectations:

- They are involved in the company goals and vision, share the same values, have efficient strategies and know how to build a trustworthy relationship with their superior.
- Furthermore, they are recognized, appreciated and valued. What is more they have development prospects, feel involved and happy with their work.

Secondly, “Animators” are those managers who evolve in an environment where they are only a bit exposed to this “global” model. For them, most important qualities are the “basic” ones (ability to decide, exemplarity, fairness, listening skills...). To reach organizational goals, they know how to implement a good work organization among their workers, how to be the most efficient possible (using internal communication, assessing competences...). Such managers work in companies which mostly expect from them to reach the given goals and successfully lead their teams. They are also not under those pressures because they do not need to change their management traits to adapt. They simply do not need to be “global” managers.

The so called “Influent” managers are usually part of small teams formed of experts. They do not need to convince, either to motivate nor to train teams bigger than 5 workers. Knowing this, one can assume they do not need to fit to the “global” model. Organizations do not expect them to be great leaders but taking into account the specificity of their teams they need to be most of all international oriented and certified managers (need to speak a foreign language, to have a professional experience abroad). To conclude there is no high tension between them and their company.

The “offset” managers are more the type of persons who are detached from the company. They declare having little influence on the company or on the future of their teams. But this lack of influence is not opposed to what the company expects from them. Such characteristics are not important to them: ability to train, leadership, sharing the company values, technical knowledge of the job, diplomacy and flexibility. Results show they do fully feel part of the company and they rather have a critical opinion of how the company works. Those profiles are rather young and can be found in field where turnover is high. This is why they are fully involved in their job or in the company. As they are like passengers in the company they rather avoid any kind of tensions.

Finally, the “outsiders” are the individuals being most often subject to tensions. When they have been hired, it was not for their ability to be good leaders. For instance it did not matter whether they had good training skills or whether they were able to fully meet the company goals. They prevail to be close from their teams, to be respectful, to be fair and devoted. Somehow they are not that different from animators, but the problem is that they work in fields where the idea of a “global” model starts to expand. Therefore the existence of an ideal model of a manager and the post for which “outsiders” have been hired, creates some tensions. It is not easy for such managers to follow the trend and to fulfill all expectations. Furthermore, they do not have much influence in case of compensations, promotions or even organizations of teams. This lack of possibility of actions creates an additional tension in their work. Consequently they do not feel good in their company because it is not what they were hired for. For example, they do not share company values anymore and they have a lack of motivation which means they cannot be satisfied. Among all the profiles, “outsiders” are the most in troubles. Additionally the following table proves that there is no single type of manager in a same country. In this sample, all profiles are represented in each country.

Table 7: Ranking according to countries

	“Leaders”	“Animators”	“Influent”	“Offsets”	“Outsiders”
Total managers	19,6%	19,2%	25,8%	12,0%	23,2%
France	11,6%	19,4%	27,6%	12,1%	29,3%
Germany	25,2%	13,8%	26,9%	16,6%	17,6%
UK	17,8%	25,9%	17,6%	10,1%	28,6%
Italy	22,3%	5,9%	30,3%	19,1%	22,3%
Spain	18,9%	8,4%	38,7%	17,2%	16,8%
Netherlands	9,5%	9,5%	55,3%	12,1%	13,6%
Belgium	9,4%	15,9%	37,1%	10,2%	27,3%
Sweden	22,8%	21,1%	22,8%	8,9%	24,4%
Denmark	24,7%	18,2%	28,6%	11,7%	16,9%
Finland	23,0%	12,8%	37,4%	4,3%	22,5%
Norway	16%	17,3%	30,9%	11,1%	24,7%
Portugal	27,9%	17,0%	21,1%	8,2%	25,9%
Switzerland	19,2%	21,9%	35,6%	11,0%	12,3%
USA	28,9%	18,8%	15,7%	18,1%	18,4%
Canada	19,0%	29,2%	22,1%	5,5%	24,3%

Source: APEC, IPSOS Loyalty. (2010). *Representations et Pratiques Manageriales en Europe et e Amerique du Nord: Vers un Modele managerial unique?* Study, Paris.

4.3.3. Reflection on probable strategies to improve managers performance

In this chapter, it has been demonstrated the lack of satisfaction of some managers of certain countries concerning the “basics” of a managerial relationship. Then it has been shown how this frustration could become a tension for managers: On one side they feel the pressure of their superiors who expect them to be good leaders and on the other side they are under pressure of their workers who expect them to improve fundamental qualities such as organization and communication.

A first strategy for managers to decrease this tension could be to re-build good basis of the relationship they have with their employees. Actually, how can they give good training or be close to them if managers do not develop a trustworthy and/or respectful relationship with their workers?

Improving the satisfaction level of subordinates of “basics” is a first step to build the same trustworthy relationship with direct superiors.

The next source of tension was the lack of influence of managers (mainly on compensation and promotion). They have troubles to motivate, to train and to get their workers more involved because they miss the “tools” for it.

A solution would be to align resources with expectations. In order to do this, superiors should give more freedom and responsibility to allow managers to have more influence on compensation, promotion and other levers. However the reality today on the topic of managerial organization of companies and even more of multinationals offer only little leeway on those aspects.

Finally, managers should not neglect the cultural factor. Even though it was not mentioned as another tension that they encounter, cultural dimension plays an important role. For example, in the case of a multinational company, it is a crucial aspect of human resources policies. In the more “open” countries (Germany, Finland, Netherlands...) when it comes to recruitment or promotion, managers often quote the ability to be internationally oriented (speaking one or more foreign languages or having a professional experience abroad) and to have a diploma.

5. Motivational leadership in the light of empirical research

5.1. Motivational strategies implemented in Tesco

In chapter 3, different motivational and leadership theories have been presented. This part aims to prove that those theories are applied in practice.

In 1919, Jack Cohen creates Tesco. 10 years later the first store opens in North London. Since then, Tesco keeps on developing around the world and is now an international retailer (googlefinance). According to the Annual report review of 2010 (Tesco), Tesco owns 4811 stores worldwide and an operating profit of £3.4 billion. The financial results demonstrate a solid performance of the group. Tesco has become the biggest British retailer and one of the largest retail outlets on three continents. The workforce equals to 472.000 employees (Tesco) in 2010.

The growth of Tesco is mostly due to the focus made on employees and customers: “*the people who shop with us and the people who work with us*” (Tesco). Furthermore, the slogan: “*Every Little Helps*” summarizes the strategy and the values of Tesco. Besides the core values about the staff are expressed as followed:

“Treat people as we like to be treated:

- *Work as a team.*
- *Trust and respect each other.*
- *Listen, support and say thank you.*
- *Share knowledge and experience.*
- *...so we can enjoy our work”*

Those values exemplify the consideration of the workforce by Tesco. Undeniably the company needs motivated and skilled staff to maintain its growth and to recognize customer needs. Therefore employees are encouraged to do their best. Tesco fully recognizes that motivation is primordial for growth. How does Tesco keep its workforce motivated and how does the company benefit from it? This case study is mainly based on TheTimes100 resources (The Times 100, 2010).

5.1.1. Taylor’s theory in practice at Tesco: The importance of monetary incentive

As mentioned in chapter 3, Frederic Taylor highlighted the importance of a financial rewarding system. According to his research, employees were working for money matters. At the beginning of 20th century, when this strategy was developed, the consequences of its implementation were positive for growth of production. On the other hand there were only few development opportunities for employees (little creativity or self development possibility).

In some ways, Tesco compensation strategy is similar to Taylor’s theory. The company uses financial reward packages to motivate employees. However, it goes beyond Taylor theory by providing benefits according to each employee’s lifestyle. It implies motivational factors for their professional lives, as well as for their private lives. So it is not only a simple increase in salaries, but also a non financial reward system. As the slogan (Every Little helps) suggests, some factors are related to the desire to help and serve others members as well as customers. Non financial incentives may also be to improve personal skills or to get promoted.

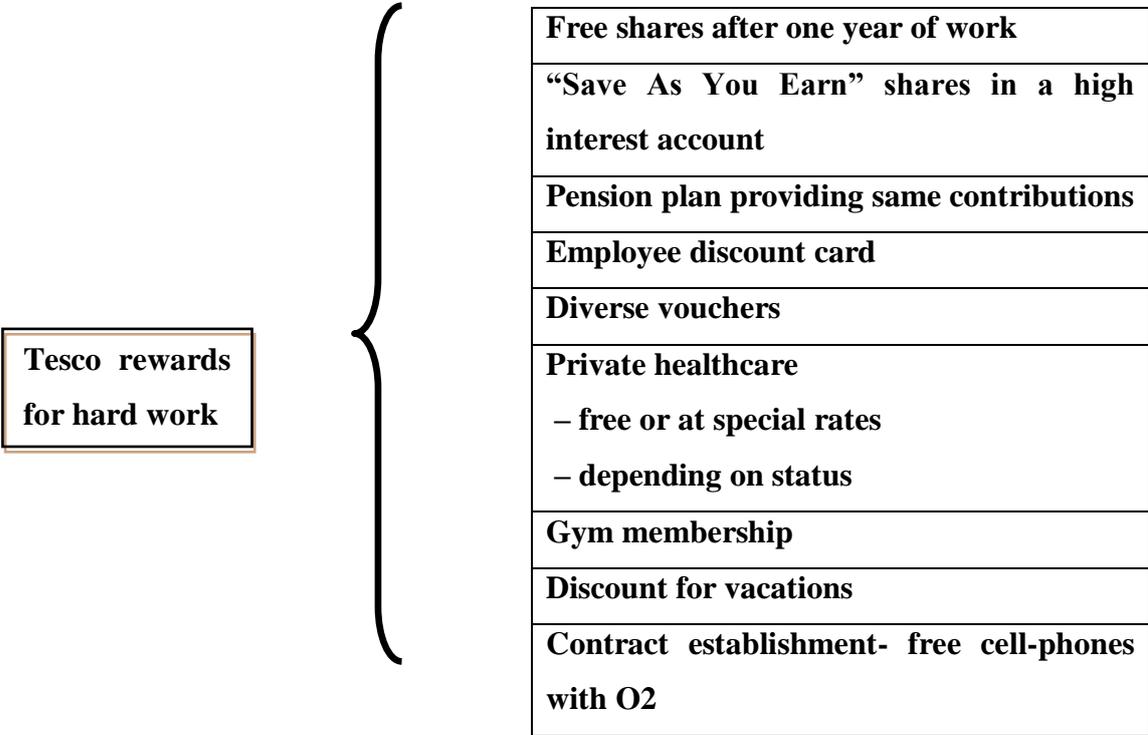


Figure 17: Tesco Rewards for hard work

Source: The Times 100. (2010). *Motivational Theories In Practise at Tesco*. MBA Publishing.

As mentioned in chapter 3, employees need to feel recognition and respect. Hence motivation also goes through good communication and equal consideration of opinions. Every year Tesco provides a satisfaction program called Viewpoint. It works through the use of surveys. Employees can express their opinions on many facets of their work. In return, it helps Tesco to understand what motivates them. For instance, some benefits offered are:

- A Pension Plan providing long term benefits.
- A career break which allows employees to leave their work from 6 months to 5 years with a guarantee to get their job back after this time.
- A lifestyle break which proposes 4 to 12 weeks off with a right of return.

5.1.2. Internal and external factors as a source of motivation in Tesco: Application of Elton Mayo theory

Elton Mayo is a scientist from the early 1930s and is known for his experiment in the Hawthorne electric factory (based in Chicago). After 5 years of study, he concluded that employees were motivated by the way they interact with each other. In other words, social needs were important. On the other hand, changes in financial rewards had little impact on them (Murray).

Mayo's conclusions seem to work in Tesco. The strategy is based on the belief that communication influences motivation. For example, Tesco keeps in touch with workers through intranet and newsletter to inform them about company activities and changes. There are also one to one meeting and talks with managers. It also uses appraisals which are assessment of employees' improvements, reviewing of their work and fixation of new goals. What is more line-managers organize daily team meetings to keep subordinates updated with what is going on for the day and communicate Value Awards. Those are awards given by any employee to another one implying a "thank you" and to celebrate achievements. Moreover Tesco provides trainings and development opportunities. Every employee has access to training connected to their work, but also to other types of trainings in order to develop new profiles and to be able to improve within the company. In addition, it offers strategic career scheme (an annual discussion about their career) to help employees to "*achieve the extraordinary*". In 2009, 3000 managers were appointed by this planning.

Besides, Tesco implements the 360 feedback system which means that employees receive feedback from all the persons with whom they collaborate internally and externally. This system also takes into account their self-assessment. As a result, employees understand how they are perceived and they become aware of their strengths and weaknesses. It is also useful for managers as they can provide the best opportunities to their workers, according to specific profiles and needs. This contributes to a healthy partnership with other collaborators and peers. Every single person working in Tesco has a Personal Development Plan.

5.1.3. Use of Maslow Hierarchy of Needs theory in Tesco

Abraham Maslow assumes that individuals are motivated by 5 pillars representing essential needs (description in chapter 3).

Table 8: Tesco implementation of Maslow's Theory

Maslow Hierarchy of needs	Application in Tesco
Self actualization	<ul style="list-style-type: none"> • Personal Development Plans • Identification of skills and talents • Opportunity for promotion and career improvement program • Career consideration • Tesco's Talent Planning meetings • Options fast-track management program (a way talented staff to reach higher levels).
Esteem needs	<p>Tesco values stress</p> <ul style="list-style-type: none"> • Self respect and respect for others. • Praise for hard work • Self evaluation. • 360 degree feedback • Appraisal system
Social needs	<ul style="list-style-type: none"> • Team work at different levels • Assessment of individual and group work • Possibility for personnel in stores to work in teams. • Good working conditions and a home-from-home culture which encourages long service
Safety needs	<ul style="list-style-type: none"> • Security of formal contracts of employment. • Pension plan • Sickness scheme • Possibility to join a union to give people a sense of belonging. • It ensures health and safety in the workplace.
Physiological needs	<ul style="list-style-type: none"> • Working area • Regular salaries • Essential facilities (company restaurant, lockers, etc.)

Source: The Times 100. (2010). *Motivational Theories In Practise at Tesco*. MBA Publishing.

5.1.4. Two factor theory by Herzberg as a relevant strategy in Tesco

The two factor theory has been previously explained in chapter 3. Herzberg demonstrated that there are real motivators also called satisfiers. Hygiene factors can act in an opposite way if they are missing or not adequate. Consequently dissatisfaction would appear.

Tesco strategy is based on Hygiene factors by providing satisfiers. Concrete examples are empowerment of Tesco workforce through accurate, timely communication, delegation of task to share responsibility and involvement of employees in the decision making process. Also, during forums, employees can join and share their opinions with managers ones on pay rises. A last example is that employees can choose what food is offered in their restaurant. All this gives an idea about the recognition of Tesco employees. Thus, as they feel they have an impact on the decisions making process, their level of motivation increases.

5.1.5. Final remarks

This case study on Tesco exemplifies the importance of motivation in order to maintain a company's growth and success. Various motivational theories have already highlighted the importance of rewards and benefits. It has also been repeated throughout the paper, that financial rewards are not sufficient; employees also need great motivational factors such as participation and recognition. Furthermore they have individual needs and for that reason, they need customize feedbacks and benefits. All those motivational strategies used by Tesco ensure growth as well as good customer services through a well-trained workforce.

5.2. Application of leadership based on the study of Chartered Management Institute

Chartered management Institute (CMI) is an appealing case study when it comes to effective management. This company which exists since more than 60 years (The Times 100), has become the only licensed professional entity in the UK which is specialized in leadership and effective management. CMI aims to help business to go forward with their management and leadership gaps (Spellman, 2009) by promoting the best managerial skills for employees and employers in all kind of industries (ranging from non-profit organization to

multinationals). Based in UK, the company collaborates with more than 86.000 individuals and 450 corporate customers.

The mission of the CMI can be resumed in four main fields of actions.

- To provide constant development and support of managers at all steps of their career.
- To offer first-class management and leadership skills.
- To set off, expand, assess and promote management ideas, tools and practices.
- To influence managers and others on various management issues.

Everything in the description of the company proves that good leaders are needed. Already in the 1950's CMI proved its ability to understand employers' needs. In this period the company created the first certificate in management studies in UK. Since then, CMI kept on sharing its knowledge.

The basis of CMI actions and success is theoretical. This case study deals with analyzing those tools hidden behind the acknowledged practices, and about presenting how CMI forms and develop top skilled managers.

5.2.1. Overview of managers' performance in UK

This part highlights the reasons why CMI is needed. Between 2010 and 2017 in UK, more than 800.000 jobs in management field will be created. As a result, managers are the main occupational group in this country. However, only 1 out of 5 managers is professionally competent (The Times 100).

In the second chapter, the consequences of poor leadership have been highlighted. It impacts motivation of subordinates, reputation of the company and overall the production performance. Some direct results that have been stated are: absenteeism and higher turnover. Consequently, good employers must be able to inspire, to encourage and to commit their workers to be efficient so that everyone in the team feels part of the result of the company.

CMI contributes to develop good leaders by providing benchmarks for measuring management performance. It also helps leaders by sharing professional competences and training frameworks. Those frameworks are based on the National Occupational Standards

(NOS) for leadership and management. NOS are “statements of best practice which outline the performance criteria, related skills, knowledge and understanding required to effectively carry out various management and leadership functions” (Gaskell, 2010).

5.2.2. Leadership and management complete each other

In several ways leadership is closely related to management. It concerns influence, it entails working with others and the overall aim of managers is reaching organizational goals. However leadership differs from management in many ways. Henri Fayol (1916) was the first one to identify the main function of management (Northouse, Theory and Practice, Leadership and Management, 2007):

- planning
- organizing
- controlling
- and staffing

Those functions are evidently used and needed on the field of management. Indeed, superiors plan, organize and forecast, give instructions, co-ordinate the resources and they supervise their workers' activities.

Moreover in chapter 4, it has been proven that workers have different expectations from their superiors. Therefore, competencies and skills differ according to the level of management:

- Junior managers learn how to drive others and manage tasks.
- Middle managers have naturally more responsibilities and empower their teams to reach goals.
- Senior managers set those goals as well as the strategies to reach them. They also have an inspiring role.

Commitment of workers is a primary asset in the growth of a company. In the case of UK, studies have shown a lack of engagement in many businesses. One out of 5 employees is not involved in his work. CMI understands that management and leadership are linked and it believes that to be a good manager, competencies in six different areas have to be demonstrated:

1. Driving people: inspiring, setting motivational objectives.
2. Successfully dealing with change: supporting creativity, managing change.
3. Fulfilling customer needs: including increasing clients satisfaction.
4. Sharing and managing information and skills: improving communication skills, involving in the decision-making process.
5. Managing activities and resources: human, financial, time, etc.
6. Practicing self-management: awareness of strengths and drawbacks, being influent, convincing, achieving professional and personal goals.

Based on those key competencies the organization offers a Chartered Manager Award. To receive this award, managers should demonstrate a broad range of managerial and leadership skills. To equip employers with practical skills, CMI implements a broad set of activities as for instance: learning online, organizing events and offering a Continuous Professional Development (CPD). The CPD enables to:

1. Assess needs regarding the NOS for Management and Leadership.
2. Organize and plan a self-development program by setting accurate goals and by choosing activities to reach those objectives.
3. At the end, a report is created to display commitment and achievements.

A study made in 2010 (The Times 100) showed that a company which would invest by 10% more in activities to get workers more committed, the profit, per employee per year, would increase by £1,500. For example a company employing 1000 workers might increase its profit by £1.5 billion.

5.2.3. Theory X and Theory Y principles applied in CMI

As presented in chapter 2, Theory X and Theory Y have been initiated by Douglas McGregor. He demonstrated that by applying Theory Y, managers were able to involve their subordinates and increase the level of commitment in their job. During a survey made by CMI the following question was asked: “*What type of manager do you respond the best?*” The top two results showed that employees preferred theory Y approach:

- “A real people person – someone who communicates with you and understands your needs”
=> 65% of respondents agreed
- “A strong leader – someone who can show you where the organization is headed”
=> 18% of respondents agreed

Furthermore, 50% of surveyed managers think that there is a lack of skills in two crucial leadership aspects:

1. Inspiring and managing change in teams.
2. Innovation and development.

Among its activities, one of the several goals of CMI is to help developing the right skills in a manager to make him/her more creative and inspired. As an example, Justin Skinner (Skinner), manager of Capital Modeling in the company QBE, will be described here to illustrate the importance of inspiring people.

“Prior to studying with the CMI my colleagues identified two areas which I needed to work on to become a better manager – I wasn’t sufficiently entrusting of my team members and wasn’t thinking openly enough, making me less receptive to ideas put forward to me. Following completion of my CMI qualifications, feedback showed I’d improved in both these areas”. (Skinner)

This identification has been done through a 360 feedback, where colleagues and peers assessed Justin’s performance. Having a technical background, Justin decided to improve his managerial skills by studying management techniques within CMI for three years. He obtained a Diploma in Management Studies before receiving Chartered Manager position. *As a result of working on his managerial skills, Justin naturally became a more competent manager and also realized how his role affects people he works with. He was willing to take on additional responsibilities, to be a manager of change and to be more creative. His employees recognized the huge improvement made by their manager. They felt more trust, a healthier relationship and that they were working for a superior who was open to new ideas. Consequently they felt more valued. As a result, Justin was able to drive more involved workers. “I have been able to apply what I learnt with the CMI to my workplace and being aware of the impact I have on others has made me more effective in my job. I think I am a*

better manager as a result. Even more encouraging is that, although my team within QBE is much smaller than similar teams at equivalent organizations, we're outperforming them, which demonstrates that we're managing to deliver more with fewer resources [...]". (Skinner). Justin's experience illustrates the benefits of being a good leader.

5.2.4. Developing management styles

The main management styles (Autocratic, Delegative and Participative) were presented in chapter II. Researches done by CMI demonstrated managers misuse leadership styles for the project or activity at hand. On the question:

"What is the dominant type of management style in your organization?"

Most of interviewees answered: autocratic (21%). Less than 10% of respondents were positively judging their manager types (7% of interviewees answered "innovative", other 7% answered "empowering" and 9% assessed their bosses as "trusting").

Being an autocratic manager can be positive in case of emergency or risky situations. On the other hand it may lead to a resistant workforce or a lack of creativity if subordinates cannot have any freedom or impact on decisions in their work. Therefore managers need to adapt their style according to the situation and the needs of employees.

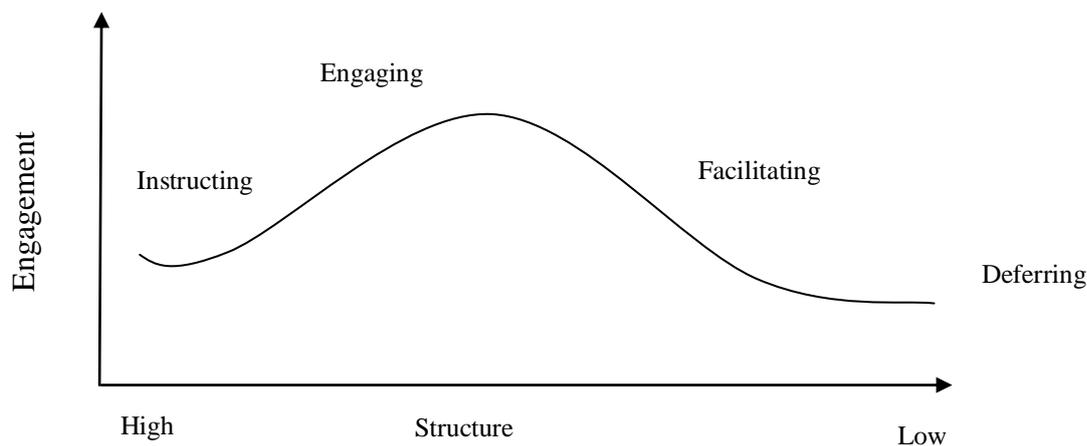


Figure 18: Differential Leadership

Source: Moon, P. (n.d.). *Management Style*. Retrieved April 1, 2011, from Chartered Management Institute: http://www.managers.org.uk/case_study/management-style

Philip Moon a Managing Director in Proseminar Ltd is also working in CMI. He developed the model presented above called Differential Management. The author assumes that leaders must be able to:

“[...] to manage differently in differing circumstances and with differing individuals”(Moon)

He presents the model during courses within CMI.

X-axis represents the extent to which tasks and responsibilities are structured. The vertical axis describes the level of engagement of managers. Each style depends primarily upon the task and upon the individual. On one side it is about the extent to which the activity requires structuring. On the other side it refers to the individual’s willingness to fulfill the task.

- “Instructing” style
the manager must be able to reflect on needs and requirements and to structure it in a way subordinates can understand and in a result fulfill the task. This style implies a high respect from subordinates.
- “Engaging” style
the manager has to devote lot of time to his subordinates and he advises direction to reach the settled goals. He must be open to variations in the way tasks are fulfilled.
- “Facilitating” style
the manager should be able to delegate tasks and to give freedom to his workers. He has to trust more, focus on result and not on the way the task is fulfilled. It means trusting and focusing on results rather than on methods.
- “Deferring” style
it is the most difficult one to adopt. This style is more than delegating. It implies accepting that subordinates might succeed, develop their profiles and build their own powerbase.

5.2.5. Final remarks

This case study on UK managers proved once again the need of qualified superiors. Nowadays, on average one out of five managers in UK is said to be competent. So there is an obvious demand for strong management and leadership skills in every industry. CMI

understood this gap since a while and proposes programs which help to form knowledgeable managers. The group offers various types of training such as e-learning, mentoring, continuous professional development, event, management conferences, etc. To meet all requirements, CMI gives access to many different resources such as online research, case studies, tutorials, tests and problem-solving tools.

5.3. Examples of top leaders

As an illustration of this whole study on leadership and motivation, this last part will present a selection of examples of great leaders based on real cases. The focus here is on the individual himself. Description of the selected stories will speak for themselves. Thus, no more theory will be developed. However, the aim is to highlight crucial leadership skills, which allowed leaders to reach success.

5.3.1. Nelson Mandela: Portrait of a South African leader



Nelson Mandela, first Black President of South Africa, was one of the most influential figures who helped abandon apartheid. After his term as being a head of the country, he became a strong supporter for a diversity of social and human rights organizations.

“Courage is not the absence of fear- it’s inspiring others to move beyond it”

(Nelson Mandela)

Mandela illustrated his belief in inspiration as part of a leader during a trip on a small propeller plane. In 1994, during the presidential campaign, 20 minutes before landing in the fields of Natal, it occurred that one engine stopped working and what reassured the rest of the passengers was Mandela’s calm appearance. He just kept on silently reading his newspaper. When the plane finally landed, Mandela admitted he was frightened (Stengel, 2008). This story shows that everyone fears something but self- control positively impacts and influences

others. Mandela knew that he was a model for others and it was his responsibility to inspire a sense of security.

During his time in jail, Mandela survived the hardest time because he had a vision, he had a goal: leading a country where human rights would be equal for everyone and thus where apartheid would be abolished. When his time in prison was over, he reached this goal but another lesson that Mandela learnt, was that not every single individual might adhere a vision. This comes from the fact, that some people are not ready for change, because change is not comfortable for everyone. While everyone today seems sharing Mandela's vision and admiring him for his achievements, this was different some time ago. Such resistance can be managed. A passionate leader would strive for his vision and so did Mandela. He persevered through discrimination, persecution, incarceration and he came out of jail even stronger (Gilloran, 2009).

Nelson Mandela was clearly a servant leader. He fought for the people of South Africa his entire life. He never abandoned his beliefs.

5.3.2. How transparency can help on reputation: Jim Lentz intervention about Toyota recall



On January 2010, Toyota declared that 2.3 million vehicles (Russ Zimmer, 2010) were recalled for faulty brakes. This announce created a scandal over media and customers. It engendered complaints, law suits and big financial loss. Such consequences impacted the reputation and image of Toyota. End of January, the group analyzed the hundreds of comments and questions shared on Digg Dialogg (one of the biggest communities on internet) about the recalling situation (Digg Dialogg, 2010).

The strategy used to manage this crisis was not to work with public relation team. Instead, Jim Lentz, Toyota US Motor Sales president, offered a live conversation on Digg to show his willingness to be closer to his customer and to show his concern about their remarks. It was a risky strategy knowing that this community is rather hostile to firms. Over a thousand hard questions were submitted from customers and also from previous employees. Furthermore the questions were not filtered; they were given according to the number of votes. The very first one, with 285 diggs was: what car does Mr Lintz drive? It turned out that this interview with Lentz was more popular than any other interviews on made Digg. During the five first days it generated more than 1 million views (O'Leary, 2010). The president answered as many questions as it was possible in the given period.

This story showed that a good leader should be honest and transparent. This frankness will contribute to improve the reputation of Toyota.

5.3.3. How Howard Schultz handled a company misfortune: An illustration of servant leadership



Starbucks is a well known coffee company for its exemplar treatment of employees (Starbucks, 2011). In 1997 three employees were killed in one of the Starbucks coffee store, close to Georgetown. When this accident happened, Howard Schultz (CEO) ended a vacation trip and flew immediately to Washington (teve Vogel, 1997). He did not alert Public Relation teams or lawyers. Furthermore the length of his stay in Georgetown was not defined. He reacted personally because his primary concern was to visit homes of each of the deceased employees and to comfort the families. The CEO finally spent about a week with the families. His compassion and leadership helped those peers in this tragedy.

This story is a great example of a servant leader. Howard Schultz reaction was absolutely aligned with what the company wants to prove: that it truly cares about its employees.

“We aren't in the coffee business serving people. We are in people business serving coffee” (Chris Abplanalp)

The focus is not only on producing coffee but mostly on providing customer satisfaction, by offering a good service. A good leader must be able to show his concern about workers. Going further, being concern by the wellbeing of employees helps to gain trust of subordinates. Actually this depends on how employees are treated and respected.

5.3.4. How Carlos Ghosn saved Nissan: Leading through action and communication

For eight years until 1999 (John P. Millikin, 2003), Nissan, the Japanese car-maker, was suffering from unprofitability. In 1999, the company started a partnership with the Renault group. The French corporation invested \$5 billion (Taniuchi, 2007) in Nissan. Carlos Ghosn (current CEO of Renault and Nissan) was appointed COO of Japanese company. The president succeeded in changing a \$5.5 billion loss into a \$2.7 billion revenue the following year. As a result Nissan is now the most profitable automotive company.

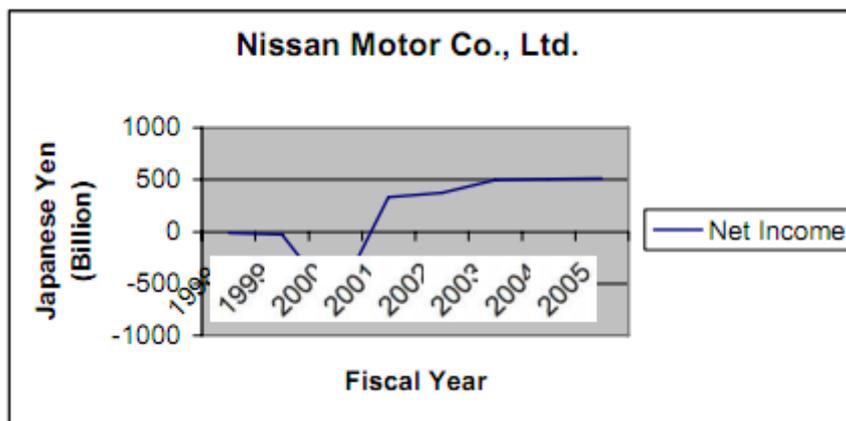


Figure 19: Net Income/Loss for Nissan Motor Co., Ltd

Source: John P. Millikin, D. F. (2003). *The Global Leadership of Carlos Ghosn at Nissan*. Harvard Business Review

To achieve this result he drove Nissan with a revival plan, which was contrasting the classical Japanese business practices. Also he developed a multinational corporation culture. The question is: what leadership skills did Ghosn demonstrate to get Japanese workers commitment and to rescue Nissan?

When he arrived in Nissan Corporation, employees were skeptical to be led by a foreigner with a completely different culture, but the CEO quickly succeeds to increase credibility and trust among workers. He was called “Seven Eleven” (in reference to a Japanese store which had opened hours from 7:00am to 11:00pm) for the hours spent at work (Nissan). As mentioned in chapter II a good leader is passionate and time spent at work is not accountable.

Carlos Ghosn demonstrated excellent communication skills and he also defined a clear vision. The truth is that all messages, strategies and ideas he delivered were lucid, direct and easy to understand. Again sharing a vision is a key of good leadership, as it makes individuals

feel more empowered (Taniuchi, 2007). Actually Japanese workers were able to picture that vision, therefore understand better where they were going and why. As a result Nissan leaders were unsurprisingly more motivated. Ghosn believed that motivation and working environment were crucial aspects to reach organizational goals. His profile and behavior was opposed to the ambiguous and unclear messages which were delivered in the company until this time

On a pure managerial aspect, Ghosn also implemented changes in the way of planning things, of executing tasks by focusing on actions, short deadline, and results. In addition, level of supervision was high to ensure no deviation.

Carlos Ghosn is now recognized as being a model in leadership. He has been given several nicknames showing how he is perceived: the auto industry's rock star, "the ambassador of change," "the icebreaker," "the cost killer," (Harbrecht, 2001) or "the troubleshooter"

Based on the successful story of rescuing Nissan, Carlos Ghosn is viewed as a model for those who strive to improve their managerial skills. He succeeded by using three principles of good leadership:

- He was transparent: what he was saying was the same than what he was doing.
- On average 10% was about strategy and 90% was about executing.
- Finally, communication was for him a pillar of management and a key to success.

5.3.5. Final remarks

The main idea of the last part of chapter 5 was to show once again the benefits of great leadership. It has been viewed previously that it is not easy to find outstanding leaders in today's organizations. Many companies are lacking skilled, experienced and solid managers-leaders. Good management benefits to individuals, groups and corporations, it helps to build a global consensus around common goals. Overall it also improves relationships and cooperation among participants, team members and colleagues. As a result there should be achievement of a greater success.

Examples of great leaders exist and their stories illustrate the main idea of the thesis. Thanks to real success stories we can understand better how leadership and motivation should work in practice.

Conclusion and implications

*“Nothing great will ever be achieved without great men,
and men are great only if they are determined to be so”*

Charles De Gaulle

Globalization impacts organizations and implies change to survive in a highly competitive market. Successful international companies have understood the importance of following the globalization trend without excluding local or regional specificities. Indeed, the research showed that managerial strategy is different from one company to another for internal and external reasons. This implies ability of leaders to adapt and to efficiently cooperate with their subordinates. At an individual level, it has been demonstrated the importance of customized relationships between employees and managers. Additionally the research shows that being a great leader has many benefits. The best ones are worldwide famous in the business world and their practices are used as references.

Implications for Theory

The purpose of the research study is to gain a deeper understanding of how leadership and motivation impact employees in the workplace. This study has been conducted on the basis of managerial theories that discuss the concept and influence of leadership and that present the importance of motivation at work.

The findings and results agree to a large extent with the stated hypotheses. The case studies acknowledge the idea that leaders and motivated employees are an essential combination to reach company goals. The analyze of the success of Chartered Management Institute demonstrated the need for qualified managers who can successfully influence employees. It showed that good leaders can be flexible and can adapt according to the situation and to their employees. Leaders show the best way to reach the settled goals by being able to involve their subordinates.

The managerial strategy of Tesco exemplifies the hypothesis that financial incentives are not sufficient to keep employees efficient at work. Indeed money matters but also other instruments are needed to keep them fully involved. It can be in the form of participation, recognition, feedbacks and customized benefits.

Therefore it can be concluded that a right combination of good leadership and motivated employees contributes strongly to company growth.

The comparison made between North American and European managers allows to agree with the third hypothesis by demonstrating why management is not global yet. Even though companies keep on internationalizing, there are still substantial differences among managers and employees expectations. In some countries still, managers demonstrate a lack of skills on some “basics” of management practices, while in other countries they are close to the description of a global manager.

Finally the chosen leaders (Nelson Mandela, Howard Schultz and Carlos Ghosn), presented in the last chapter, allow to verify once again the three hypotheses of the research study. It proved to which extent great leadership can impact an organization.

Generally, the empirical research combined with the theoretical framework through the use of case studies, surveys analyses and examples allowed to respond to the research questions.

Suggestions for further research

This study is limited to one important survey, two case studies relevant to the research and three selected leaders. First of all broader researches and sources would be needed to increase the accuracy of the findings. Furthermore this thesis provides more information about how leadership generally looks like in today’s organizations and presents some motivational tools as well as their impacts on employees. Because of limited length of thesis the study does not have enough demographic data to give more general conclusion. A follow up research to this investigation could be to compare not only North American and European managers but also managers with partial or complete different culture such CEE or Asian managers.

To conduct such studies and to be able to give precise and valid results, more data would be needed such as labor force efficiency, productivity level per industry, companies workforce requirements in order to check the similarities and differences. It would give a broader picture of leadership worldwide and increase awareness of companies’ strategies, motivational instruments, consideration of managers versus employees, etc. Furthermore it would be interesting to compare smaller organizations with international ones as it would also help to define the roles of leaders according to the complexity of the organization.

Also the study shows a positive correlation between leadership and motivation. Nevertheless additional research could provide more information about leaders' roles in difficult situations. For instance it could be interesting to analyze how leaders cope with resistance to change or during a crisis management as this would highlight other managerial skills.

To face market globalization the company needs to have talented staff involved in a common goal given by their leaders. A strong motivation and a perfect synchronization between the staff and their leaders will lead to success. Money is not any longer the most important motivation parameter and a strong implication of the management to attract and retain the star performers and to inspire passion to achieve excellent performance is fundamental to succeed economically in this new challenging century.

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