LEADERSHIP STYLES AND THE IMPACT ON THE PERFORMANCE OF THE LEADERS OF NON-PROFIT ORGANIZATIONS: A THEORETICAL APPROACH

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Abstract:
The paper analyzes the leadership styles as well as the performance of leaders in organizations. From the study based on the expanded literature, it was found that executives used different leadership styles. However, to achieve the purpose of this study four performance-related leadership styles were analyzed. The study showed that if managers do not have the necessary knowledge and management skills as well as that of leadership, they will not be able to improve the performance of the NGO in the right way. It also turned out that effective performance in NGOs requires visionary leadership, and among other things, and it exist a strong link between visionary leadership and transforming leadership, which is recommended for NGO leaders.

Keywords: leadership, performance, NGOs, leaders, employees

1. Introduction

According to Sharma and Jain (2013), leadership is a process in which a person influences others to accomplish an objective and directs the organization in such a way as to make it more connected and coherent. Leaders take care to implement this process by applying to it the attributes of a true leader such as: values, ethics, character, knowledge and skills. Although the position as a manager, supervisor, etc. gives authority to meet certain objectives in an organization, but authority does not make it a leader.

Each organization has its own unique characteristics. It is a combination of founder, previous leader, current leader, crises, events, history and greatness. All of this leads to what is called routine, ritual and "*the way of doing things*". Each of them influences the individual behavior, what should be done and be within the norms and directs the appropriate behavior for each circumstance.

Climate is the feeling of the organization, the individual perception and attitude of each member of the organization. If culture is the nature of the organization, deeply

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rooted as a result of long-term formal and informal systems, norms, traditions and customs, climate is a short-term phenomenon created by the current leader. Climate represents the beliefs of the "*sense of organization*", which comes from what people believe about the activities that take place in an organization.

To ensure that quality service becomes a reality, the leader must take concrete steps and without his intervention quality service will not become such. It all starts with the culture because a culture that is supportive of the quality of service needs to be stabilized. This step is the most fundamental process for achieving service quality.

Culture is not only the catalyst, but is a key point in determining the management of success. The culture of the organization and the leader are interconnected and create a captivating force, which will ultimately determine in real terms the degree of success or failure in achieving quality service.

The leader and the culture of the organization are two faces of the same medal. The leader can deeply influence the culture, while the culture on its side can work either to hinder or help the influence of the leader in the organization. Both of these work in sync to influence the level of quality service provided to the employees of the organization.

According to various researchers in the field of organizational psychology, leadership is of vital importance to organizations, as it is the engine of survival for them. This recognition has come at a time when the worldwide development challenges of social services are more urgent than ever before. The rapid growth of NGOs will require improved management. Increasing the quality of services at different levels will require new management approaches in order to increase efficiency and effectiveness. Schermerhorn, Hunt and Osborn (2000)as mentioned in Tilahun (2014), say that leadership is the heart of any organization because it determines the success or failure of the organization. Sashkin and Sashkin (2003), who claim that leadership is of great importance because they help leaders to have more clarity and security in the organization. In a broader sense of leadership, to have effective management and performance, leadership skills are needed.

If the secret of effective personnel management lies in leadership style, then it is very important to identify the features of such a style. Therefore, this study will seek to analyze different leadership styles, in order to determine whether it is effective in terms of increasing the performance of the organization. Such policies require very good leadership in order for the government to achieve the objectives of quality and access to social services.

Leadership at work and in NGOs is a dynamic process where an individual is not only responsible for group tasks but also actively seeks the cooperation and involvement of all group members to achieve goals (Cole, 2002).

In this context, leadership leads to an effective performance in the NGO because it not only examines the tasks to be performed and who performs them but also seeks to include other more reinforcing features such as: recognition, moral and material incentives.

So, leadership includes fulfilling the task which is the organizational requirement as well as employee satisfaction, which is the human resource requirement. Maicibi adheres to the idea that without a proper leadership style, effective performance in the organization cannot be achieved. Even if the organization has all the required guidance materials and financial resources, it will not be able to use them as effectively as possible if the stakeholder is not properly directed to use them, or if employees (psychologist, social worker, case manager) who are leaders in the process of using them are not properly trained to implement effectively. Armstrong (2004) defines leadership as a legitimacy, power, and authority gained by a leader to be able to transform the organization as effectively as possible by directing the human resources that are most important to the organization, thus leading to the achievement of the desired goal. This can be achieved by defining the vision and mission of the organization at all times, as well as influencing the staff to clearly define this vision and for everyone to be aware of where to achieve.

This is also described by Sashkin and Sashkin (2002) as cited in Taylor, Cornelius and Colvin (2014) as a visionary leadership. However, according to them, the concept of leadership that interests us is not limited to those who are in charge of the organization, specifically the director, but depends on certain characteristics of a leader. This involves more than the personality of the leader, in which leadership is seen as a follower who acts and does not talk much to achieve goals.

Cole (2002) as cited in Paul and Toyin (2017) defines leadership as the inspiration to perform. Even if an institution has all the right financial resources, it can fail if leadership does not motivate others to perform tasks effectively.

Dubrin (1998) describes the autocratic leadership style as a style where the manager holds the most authority for himself / herself and makes decisions in order for the staff to implement it. He / she is not concerned about staff attitudes towards a decision. He / she is more concerned only with performing the task. He / she tells the staff what to do and how to do it and serves as an example for the staff.

Tilahun (2014) suggests that autocratic leaders are generally disliked, as they leave no room for initiative, consideration, and self-development. Employees and beneficiaries of social service who have an autocratic-style leader are insecure and fearful of leadership. This ultimately reduces their ability to explore their potential. This style is typical of a leader who tells his employees what he wants to do and how he wants to become, without seeking advice from his subordinates.

Some people tend to perceive this style as a means of shouting, using derogatory language. However, under certain conditions autocratic leadership style is appropriate, especially when it has all the information to solve the problem, when there is little time and when employees are well motivated. In cases where the autocratic style of leadership is applied, they are characterized by arbitrary principles, arbitrary disciplinary measures. The effect has always been job dissatisfaction on the part of employees. Autocratic leaders in organizations are more concerned with accomplishing tasks than achieving goals.

Autocratic leaders create a situation where subordinates who do not want to understand the importance of work are forcibly led to work. Autocratic leaders closely monitor subordinates to ensure consistency and timely completion of work. Leadership is meant to be effective even when the situation seems dire in order to achieve goals. Autocratic leaders usually emphasize "authority" as a means to an end. Executives generally stress it, as it gets results very quickly, while subordinates work under pressure to meet deadlines. Stoner (2002), noted that managers, who use authority to have tasks performed, are very strict. This hinders the creativity of employees especially in those cases when creativity and planning are necessary to develop the program in the NGO.

Decentralization of authority and mutual communication are some of the key characteristics of democratic leadership. However, it is characteristic to share decision-making with subordinates, ie. not to make decisions individually. Although subordinates are invited to make a decision, it is he / she who makes the final (consultative) decision. The manager can seek the opinion of other employees before a final decision is made, discussing various issues with them, always before a decision is made (consensus). The manager may allow subordinates to vote on an issue before taking a (democratic) decision. He also takes into account their requests. This type of leadership is considered an important aspect of empowerment, teamwork and collaboration.

Leaders in NGOs use democratic leadership style to build trust, respect and commitment because this style allows people to have the opportunity to speak out in decisions that affect their goals. NGO leaders claim that democracy is the best leadership strategy for organizational environments because organizations themselves are systems where many actors interact. Managers need to motivate employees to participate in decision-making because progress depends on the quality of service delivery.

The liberal style relies on a rather limited use of power, leaving subordinates a great deal of freedom in their activity. Leaders set some very broad boundaries and allow subordinates to set their own goals as well as how to achieve them, thus playing the role of facilitator rather than superior. This attitude means that they provide subordinates with the right information and serve as the group's contact with the external environment. The leader who applies the liberal style makes little effort to develop his subordinates or to meet the requirements they have.

The theory introduced in recent years about this style presupposes that managers should be successful, that they should treat their employees openly, have confidence in them and allow a wide participation of them in the process of obtaining decisions.

The basic idea behind this theory is that creating a warm climate and extensive training to eliminate monotony at work and expand career opportunities are very important elements for employees to be motivated to increase their efforts to better meet the objectives of their leader.

So, the manager delegates all his authority to subordinates. There is no person with authority in the organization. The manager runs the organization indirectly. He / she does not make decisions, but agrees with decisions made jointly.

Thus, this leadership style can be effective with motivated and experienced employees, but can lead to failure when subordinates are deceptive, unreliable and insecure.

Situational leadership theory presupposes that a leadership analysis not only includes individual traits and behaviors of leadership, but also focuses on a situation (Chandan, 2004). But this theory focuses more on the situation than on the leader. Different types of situations require different characteristics and behaviors because each type of leader faces different situations. The leader must understand the situation well and choose the right leadership style.

Performance refers not only to behaviors and outcomes, but also to the appropriateness of organizational behaviors and actions to achieve results. Behaviors are the results of reactions that come as a result of physical and mental effort to perform tasks.

2. Discussion and Conclusions

This study sought to analyze leadership styles and performance in NGOs. From the literature research it was noted that there are different leadership styles used by NGO leaders. However, this study explored different leadership styles in general in NGOs and analyzed the 4 leadership styles and performance of NGOs.

The study confirms that performance in organizations and especially social service excellence is positively related to the democratic leadership style used by managers, and that this style is widely used in NGOs.

The current reforms require leaders who can work democratically and cooperatively in order to build good relations to ensure the highest quality in social services. It is clear that there is a link between leadership styles and performance in NGOs and if the NGO aims to work as successfully as possible, leadership should use methods that take into account the needs of all stakeholders.

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