MANAGERIAL ATTITUDES IN THE CONTEXT OF GLOBAL CHALLENGES: THE LITHUANIAN SURVEY

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ABSTRACT: This article presents an analysis of management transformations, resulting in response to global challenges, and their influence on managerial attitudes. In particular, the aspects of transformations in the role of managers are looked at. In seeking to evaluate the dominant managerial attitudes in business organisations, the level of importance Lithuanian managers give to management functions (planning, organisation, leadership, motivation, and control) and their managerial competency in implementing these functions was analysed.

The concept of this article is based on the integration of a theoretical idea and management practices. As the object of the research is complex, it required the application of a range of different research methods: theory analysis, system analysis, comparative analysis, meta-analysis and the survey method. The empirical research conducted by the authors revealed the prevailing managerial attitudes in the business sector in a management functions context, and evaluated their compliance with modern management standards.

KEYWORDS: management transformations, managerial attitudes, managerial competence, management functions implementation, Lithuania.

JEL classification: M10, M12, M 19, O15, P2.

Introduction

Problems associated with management transformations, prompted by global challenges, have escalated across the whole world, as now it is clearly understood, that the traditional, industrial-cooperative ideology and management system, which developed within economic-geographical boundaries, no longer applies. An intensive search for new managerial attitudes, methods and technologies is underway, and new management paradigms are being formulated, which are bound to have an impact on the managerial attitudes of Lithuania’s managers.

The managing authority personalities of the last era are losing their influence and certain success factors no longer give companies the edge they once had. However, being competitive, informed, being able to bring in changes, and the close link between an organisation’s aims and the interests of their staff, clients and society have not lost their importance. The management system is also becoming evermore dynamic and flexible: organisational structures are being transformed; the orientation towards team-work is growing; attitudes towards human resource management are becoming more liberal; and there is less stress placed on monitoring the personal work of subordinates and the negotiation of different forms of bureaucratic decision-making (Chapman, 2001; Urbonavičius et al, 2006; Hernaus et al, 2008). The role of high-ranking managers is becoming more and more related to organisational culture which highlights showing initiative, autonomy and creativity in the decision-making process, as well as knowledgeability, as knowledge and information are now valued more than other resources, such as capital and assets (Grundey and Varnas, 2006). No less important is the fact that managerial social responsibility has established itself as a necessary component of successful business activity, helping an organisation integrate into social life. The significance of cultural differences and their influence on an organisation’s managerial orientation is duly recognised (as discovered in the results of empirical research conducted by G. Hofstede, F. Trompenaars, Hampden-Turner, et al.). The necessity of understanding and tolerating partners’ cultural peculiarities has been acknowledged, that is, managers must exhibit inter-cultural competency (Grundey, 2007; Mockaitis et al, 2007).

The definitive role in resolving crucially important management transformations tasks, as much on a social as on an organisational level, belongs to managers, as managerial activity
and its effectiveness has a marked influence on a country’s political, economic and social processes. A manager is a leader of opinions, and the bearer of value system standards. This is why, when analysing the managerial attitudes of managers of Lithuania’s business organisations, the authors had to look at the importance managers placed on management functions (planning, organisation, leadership, motivation, and control) and their level of managerial competency in implementing these functions. In 2006, the empirical research was conducted with these aims in mind, with the participation of 639 managers from various levels from different Lithuanian business organisations, which encompassed all geographical aspects and business activity types. The research results allowed the evaluation of the compliance of managerial attitudes in implementing separate management functions.

1. Changes in the role of managers and their competency in a modern Lithuanian organisation

Transformation of the forms of organisation undoubtedly had an impact on the work activities, functions and roles of managers (Kanter, 1989; Senge, 1990; Akella, 2003). Traditional managerial roles, such as being overbearing and controlling, are giving way to roles that help support and coordinate activities. According to Hales (2000), management tasks, such as the administration of routine work processes are being replaced by new management tasks that are related to non-routine management and expressing initiative. We cannot disregard the fact that the nature of managerial work is changing so rapidly, that many managers are forced to almost rediscover their profession (Akella, 2006, p. 222).

In fact, in recent times managerial positions and the responsibility they carry are becoming less static and their limitations are less strictly defined. The boundaries separating the different levels of management (high, middle and low) are changing rather rapidly, along with the tasks each is accountable for. Middle and lower level managers in traditional organisations (of which there is still a considerable number in the business sector) are orientated towards the activities of their sub-ordinate units, i.e. they have the authority to regulate different aspects of the activities of others, i.e. their field of activity covers positions below them in a company’s hierarchical structure (Zakarevičius and Žukauskas, 2008). And only higher level managers are given the opportunity to broaden the organisation’s activity boundaries, and search for or create new opportunities.

In the new organisational context, this is becoming the prerogative of managers at all levels. Apart from the implementation of other agreed decisions, operational level managers also need to have competitive skills. The administrative and control roles of middle level managers are exchanged for educative and supportive roles. Meanwhile, the resource distribution role of the highest level of managers is being transformed into an institutional leader role. All managers can play a part in forming their organisation, as well as regulating its activities.

Thus, the understanding of a manager’s role is undergoing cardinal change: an organisation’s success depends not on the manager as an administrator, but on the manager as a leader, and the extent to which they can rally a team striving to meet the organisation’s goals, and how they can reveal, utilise and manage people’s potential. Managers are already implementing these new functions and roles of teachers, advisors and carers. These roles encourage effective communication, giving staff certain authority, and the development of team work. In addition, this approach encourages modern managers to generate knowledge and support the education and training of their organisation.

The successful implementation of new roles and ever-changing functions requires that managers be capable of analysing an organisation’s strategic perspectives, reorganise the organisation, identify and manage an organisation’s internal strengths and competencies, and
in order to bring about qualitative changes in the organisation’s activities new interpersonal, communication and negotiation skills and abilities are also needed, i.e., it is necessary to develop one’s own managerial competency.

A manager’s competency is the expression of their knowledge, abilities, attitudes, values, and personal character, which is revealed in their effective work practices and has an influence on the successful results of an organisation’s activities. According to Hornby and Thomas (1989) this is the ability to effectively carry out any functions related to management in a work environment. In other words, a competent manager is a person who is both determined and prepared to demonstrate effective behaviour. This is a person who is able to transfer skills and abilities from one field to another (Rajadhyaksha, 2005, p. 48).

Different authors give a different assessment of the aspects of managerial competency, its models and the opportunities for their practical application (Rutherford, 1995; Boyatzis, 1993; Kotter, 1999; Spencer, Spencer, 1993, et al.). According to the prevailing North American approach, there are three competency concept aspects that can be highlighted (Grzed, 2005, p. 532). The first aspect is related to understanding competency as the combination of skills, knowledge and attitudes (Tannenbaum, 1997) or an individual’s characteristics (McClelland, 1973; Boyatzis, 1982; Spencer, Spencer, 1993). The second aspect highlights that characteristics are more subtle, while skills and knowledge may be developed (Katz, 1955; Spencer and Spencer, 1993). The third aspect ties competency more with the outcomes for an organisation and determines a causal link between independent dynamic factors such as skills, knowledge, attitudes or essential characteristics, and factors related to carrying out a certain activity (Nordhaug, 1998).

Another widely applied approach to managerial competency, which researchers in the United Kingdom go by, is the functional analytical approach. According to this approach, competency is shown by the results of the organisation’s activities (and also the manager’s), and is expressed by the work purpose, goal terms and work execution standards that are desirable. As competency standards represent behaviour results, managerial competency is likened to a qualification which is endorsed by the equivalent of the results produced (Petkevičiūtė and Kaminskytė, 2003, p. 68).

On the whole, according to Boyatzis (2008, p.7), different research has highlighted that successful, well-known managers who have made great accomplishments in their field are professionally notable for abilities (such as experience, knowledge, a good memory and deductive reasoning) and exceptional competencies (such as cognitive competency, emotional intelligence, social intelligence) which they already possess.

Thus, the description and evaluation of the essence of managerial competency still raises many discussions and always requires new research, seeking to qualify the possibilities for the application of different competency models. In Lithuania, managerial competency is not given adequate attention, despite research conducted (1998-2000) has brought about the understanding that the most important factors determining an organisation’s success are related to the competency of the managing personnel and their abilities, as mentioned earlier: the ability to seek out the latest information, acquire knowledge and work skills, implement new technologies, choose the required staff, and so forth. This is one of the most important driving forces at play in Lithuanian businesses (Čiutienė and Šarkiūnaitė, 2004).

Management literature presents different classifications for competency groups, however there is no single, common opinion or ideal skills system to describe the competency managers should have. In our opinion, five competency groups should be identified: strategic, social, functional, managerial and professional, as they allow for a broad analysis of the most typical capabilities of managing personnel.

On the whole, competency group averages confirm, that the competency of direct managers (i.e. basically higher level managers) is rated more highly than that of respondents.
personally (as well as different level managers (see Table 1). The correlation is very strong, on average $r = 0.806 - 0.994$. Strategic, professional and managerial competency groups are particularly noteworthy. This is proof that changes in managerial roles taking place globally, and the associated requirements for managers, and their influence on competency groups is being felt in the managerial attitudes of Lithuanian business organisations regarding managerial work.

Table 1. Evaluation of the level of understanding of managerial competency in Lithuania, 2006 (5 point scale)

<table>
<thead>
<tr>
<th>Components</th>
<th>Personal</th>
<th>Direct manager’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>3.92</td>
<td>4.18</td>
</tr>
<tr>
<td>Social</td>
<td>4.02</td>
<td>4.05</td>
</tr>
<tr>
<td>Functional</td>
<td>4.15</td>
<td>4.28</td>
</tr>
<tr>
<td>Managerial</td>
<td>4.08</td>
<td>4.29</td>
</tr>
<tr>
<td>Professional</td>
<td>3.68</td>
<td>4.01</td>
</tr>
</tbody>
</table>

*Source:* created by authors on the basis of the 2006 empirical survey.

Besides, attention should also be given to the lack of managerial work experience abroad – both respondents personally (2.22 points) and regarding their direct managers (2.72 points), which devalued the whole assessment of the level of professional competency understanding. It is clear that work experience with representatives from abroad would only increase any managers’ competitive edge (especially important for higher level managers), as this is closely related to competency dimensions such as global-thinking, foresight, and the ability to understand and tolerate cultural differences.

Altogether evaluating the managerial competency of managers in the business sector (especially direct managers), foresight (4.16 points), communicability (4.32 points), initiative and creativity, and responsibility (4.44 points) can be noted. However, one of the weaker aspects of managerial competency is the ability to motivate (approx. 3.80 points), which belongs to the social competency group. In addition, the level of managers’ social competency is inadequate, which can reduce the effectiveness of staff potential behaviour. This is important because social competency is related to abilities to not only adapt to an ever-changing environment, but also to reach decisions meeting these changes.

Slightly more lacking is the ability to work in a team (4.06 points), which is currently very relevant, especially when working with partners from abroad who often still notice the lack of team work skills among Lithuanian employees. Other low-ranked managerial competency components were systematic thinking (3.86 points), personal appeal, knowledge of foreign languages, and work experience abroad.

Irrespective of the noted shortcomings, it must be noted that although Lithuanian managers are not adequately competent in all fields, their current competency level should ensure a good understanding of the purpose of the work being done and the associated process, the ability to give a qualified analysis of a given situation, and independent thinking when reaching decisions and devising alternatives.

2. Managerial attitudes of Lithuanian managers when implementing planning functions

The managerial attitudes of business organisations managers when implementing planning functions, and the adequacy of their managerial competency, reveal their attitude towards the definition of an organisation’s mission, evaluating the importance of strategic planning, and managers’ attitudes towards planning styles and processes.
As is known, the mission in an organisation’s hierarchical goals pyramid occupies a special position, and it is the very planning practices existing in an organisation that help it realise its mission. If there is a well-prepared mission in place in an organisation, it gives employees the opportunity to feel they are part of a united team, orientated towards seeking success, to feel appreciated in their organisation and receive additional moral stimuli at work. It is believed, that even a manager’s internal motivation (which is passed on to subordinates) gets its first impulse from the contents of the organisation’s mission.

Unfortunately, the importance of mission creation has not yet been fully understood by Lithuania’s managerial personnel. The results of our research have shown that only 38.5% of managers considered the organisation’s purpose and activity contents in the given mission statements. Meanwhile, the mission formulation presented by other respondents was rather too abstract, reflecting neither the nature of the organisation, nor any specific aims or goals - evidence of at least the obvious lack of managerial literacy (Diskienė and Marčinskas, 2007, p. 138).

The most unsettling fact is that in their mission formulation tasks, as much as a third of the highest level managers gave no consideration whatsoever to the organisation’s purpose and activity contents. This is despite it being known (as proven by the experiences of successfully operating businesses) that the realistic formation and implementation of an organisation’s mission is predominantly in the hands of an organisation’s leadership. They must mature towards mission creation and refuse to settle for a so-called “declaration”, but orientate themselves towards a real document reflecting future perspectives of the given activities, and then duly present this mission to the staff. Thus, it may be said that the managers of Lithuanian business organisations are as yet insufficiently “mature” to evaluate the true role of a mission statement.

Managers’ managerial attitudes are rather clearly revealed by their understanding of the necessity of planning. Even though management practice in the West in 1950-1980 underwent an evolution from financial planning to long term planning to strategic planning and finally strategic management (Bowman et al., 2002), Lithuania’s managerial attitudes regretfully reflect an inadequate comprehension of the importance of planning, especially strategic planning, as it is still identified as a relic of the Soviet planned economy. Mastering conceptual strategic planning principles gives managers a wide scope for potential opportunities, as it simplifies strategic thinking, combining the understanding of the external environment, desirable results and current resources with an effective action plan. It is due to strategic thinking that opportunities to change in response to external challenges appear (Furrer et al., p.16, 2008). Unfortunately, the situation in Lithuanian organisations shows that managers still need rationality and perspective in their thinking (commonly they still live only in the present day), as well as a clear vision, without which activity development strategies are harder to prepare. Weak strategic planning gives few opportunities to find and effectively harness one’s advantages, whether they be new product characteristics, different to one’s competitors, or the launch of a completely new product or service, or the creation of a new market (Lydeka and Kavaliauskas, 2006). Only a minority of organisations in the Lithuanian business sector formulate their own innovations policies, allowing for the successful realisation of innovation projects, reducing opposition to the spread of innovation, which directly impacts on greater competitiveness.

In addition, the analysis shows that Lithuanian business organisations still often need clear activity strategies, and that they are unclear not only to the staff of an organisation, but also to the managers themselves (only about half of the surveyed managers had a clear understanding of these strategies). Regarding this point, managers are often doubtful as to what specific action should be taken and are likely to justify undesirable outcomes based on certain circumstances and conditions out of their control. This is a rather negative aspect, as
the application of certain strategies has an influence on people’s morale, the implementation of innovations, methods of problem solving and the effectiveness of a given business activity (Guy, 1998, p. 415). This is why, when forming strategies it is necessary to keep in mind, that they must suit the organisation, its management system, the qualifications of its personnel and their level of knowledge, the organisational structure and nature of the activity, as well as its traditions and culture.

The quality of the implementation of planning functions is rather influenced by managerial attitudes towards planning styles, i.e., who should formulate an organisation’s long term goals – the highest level of management, or a specially formed team, or is this task the objective of all the staff. In realistic managerial practice, planning subjects in Lithuanian organisations are nevertheless only managers and specialists. That is, the universal planning idea is still quite weakly expressed in managerial attitudes, and it is believed that an organisation’s managers must divide their staff into those who formulate plans and those who implement plans, i.e. staff are dislocated from the organisation’s perspective activities. Yet the planning process is precisely where managers have the greatest opportunity to involve their staff into the real management process, and foster feelings of participation handling an organisation’s affairs.

Irrespective of the current evolution in traditional attitudes towards planning, where it is held to be the prerogative of the management, at the present time in Lithuanian organisations there is a rather strong orientation towards a conservative planning style which dominates, and only a minority of managers (11.4%) believe, that an organisation’s long term goals should be formed by all staff. This attitude, alas, is not in line with modern approaches to planning, related to its decentralisation, thereby ensuring the participation of all members of an organisation and only minimises the effectiveness of the planning process in an unstable, competitive business environment.

3. Managerial attitudes in Lithuania: the context of an organisational function

When evaluating managerial attitudes orientated towards an organisational function several essential aspects of the administration of organisational structure should be mentioned, relating to the current degree of organisational centralisation, the influence of the elements of internal and external environment on the functioning of the organisation, and its authorities and responsibilities.

In seeking to reveal the dominating approach towards the optimal degree of centralisation, it is important to take note of both the managers’ personal management positions, as the organisation’s place in the business environment. An absolute majority of managers evaluate the degree of centralisation as adequate (“it is as it is”). It may be believed, that this position is tied to the reluctance, or even fear of “shaking up” the already formed organisational principles, and the marked avoidance of uncertainty, which is typical of Lithuania’s cultural environment. Only one fifth of managers consider the degree of centralisation to be rather too high. This would mean, that the current situation in certain organisations where there are strict controls and a rigid organisational structure should be changed, with an orientation towards a greater degree of decentralisation. Although management centralisation in the highest levels of an organisation reduces the opportunity for change and their development, as lower level staff is not given the opportunity to directly participate in decision making, even though they are aware of the necessity of these changes, it cannot be confirmed that decentralisation can help solve all problems. However, it is managers who can realistically evaluate the state of an organisation and only then choose the suitable balance between centralisation and decentralisation, the optimisation of which depends on various factors.
One of the most important aspects of organisation as a management function is the compatibility of authorities, ensuring proper task delegation and coordination, which has long been of interest to management theorists and practitioners (Moye et al., 2005). Despite different research showing that staff who are given greater authority are more productive and attentive to quality than those who are not (Conger, Kanungo, 1988; Spreitzer, 1995), and that decision making at lower hierarchical levels is being encouraged, increasing their work experience (Liden et al., 2000), to date the tenacious habit of managers to work as they always have acts as a brake to delegating authority. The greater desire to avoid delegating functions to others is still commonplace in business organisations, and ties in to the greater degree of control over decision making, and a higher level of formal regulation. That is why delegation, irregardless of its advantages, often occupies almost last place among chosen management measures, as it is regularly evaluated as an additional concern for the manager, and as an unwanted work-load on the staff member delegated with the new task.

A very important aspect of the delegation concept is managerial attitudes towards the balancing of responsibility and authority. Assessing the scope of responsibility in the delegation context, it should be noted that the nature of responsibility lies along a vertical scale. This means, that in all cases the manager who delegates their subordinate with certain authorities takes upon themselves a part of the total responsibility, which may be termed managerial responsibility. Unfortunately, only about half of the managers who answered this question more or less acknowledge this management axiom. In reality, there is a situation of misbalance between responsibility and authority, as over half of all respondents demonstrated their inadequate competency and inability to fully understand that delegation is only possible by taking on authorities, but at the same time not delegating responsibility, as it cannot be scattered by handing it over to a subordinate.

4. Managerial attitudes in Lithuania: the context of implementing leadership function

It is well known that there are a lot of different theoretical leadership concepts. But we often come across the so-called “old leadership paradigm” and its related theories (theories on personal traits, behaviour and contingency approaches to leadership) in Lithuanian managerial literature and specialised magazines. “New leadership paradigms”, with concepts such as charismatic leadership (Conger and Kanungo, 1987), visionary leadership (Sashkin, 1988), transformational leadership (Burns, 1978; Bass, 1985, 1998; Tichy, Devanna, 1986), neotransformational (Yammarino, Bass, 1990; Curphy, 1992; Yukl, 1999), shared management (Bradford, Cohen, 1998), leadership „pipeline“ (Charan, Drottes, Noel, 2001), the role of emotional intelligence in leadership (Goleman, 2004; Rosete, Ciarrochi, 2005; Grundey and Sarvutytė, 2007) and others, whose appearances are linked to the reality of constant change, are presented rather superficially (with rare exceptions). Yet too little or no attention is given to the shortcomings typical of one or another approach, and whether empirical research has been conducted confirming their effectiveness, irregardless of external factors and the particularities of people’s mentality.

Actually, it is noted, that in recent times, the importance of leadership has been frequently highlighted, along with the necessity of its development and opportunities, despite the fact that it is orientated towards the concept of an effective manager. However, this great admiration for leadership not only on a theoretical level, but also in practice forces us to recall that in spite of the widely accepted notion of leaders’ influence on activity results, certain authors doubt the importance of leadership on an organisation’s effectiveness. Kerr and Jermier (1978) underline that leadership is completely unnecessary for an organisation’s effective activities, as there are so-called leadership “substitutes” at play, i.e., factors related to followers’ personalistics, the organisation’s features and task structure that practically
eliminate leadership as such. Instead of directing special attention to an individual, being concerned for their development and remuneration, organisations should be concerned with the formation of teams that will operate as one united mechanism. In Pfeffer’s (1977) opinion, an organisation’s effectiveness mainly depends on factors out of the control of the leader’s influence, i.e., economic conditions, market conditions, government policy, and technological advancements. Upon entering a mature organisation, a new manager-leader (the highest level manager) “inherits” all the strengths and weaknesses that come along with it. That is why their potential as a leader, directed towards changes, is severely restricted by internal policies and external market conditions. Kerr and Hill (1986) presented similar arguments analysing the influence of lower level manager-leaders in an organisation.

Nevertheless, the importance of the manager-leader position should not be denied in the livelihood of an organisation, as it is their ability to influence and inspire other people determines the success of the end goal and implementation of its vision. This inspires others approach to leadership, which is closely related to leadership and charismatic management, was found among only 23.2% of Lithuanian business organisation managers, indicating the inadequate preparedness of managers to take on the burden of leadership, as it demands action, initiative, creative thinking and additional responsibility. In addition, as was expected, the inspiring others approach is more typical among higher level managers, among which there are, no doubt, true manager-leaders. However, on the whole, the leadership potential of managers in Lithuanian organisations is not yet sufficient and this often becomes a real barrier to the further development of organisations. Successful foreign corporations have a great accumulated wealth of experience and leadership development has long been a systematic activity. That is why it is especially important that leadership as a phenomenon be fully understood, along with the necessity of encouraging enterprising and talented staff in the organisation.

Evaluating Lithuanian managerial attitudes toward leadership, it could be pointed that characteristics typical among business organisation managers differ little from the selection which was formed to describe the range of various results of this research (see Figure 1).

![Figure 1. The most important manager features and abilities](image)

**Source:** created by authors on the basis of the 2006 empirical survey.

**Figure 1. The most important manager features and abilities**

It is noteworthy, that task planning and organisational skills as well as decision-making, especially in critical situations, are valued very highly. This indicates that the importance of key management system components, such as planning and decision making, is clearly understood, and that decision making is one of the essential elements of managerial activity. Managerial staff also distinguished the importance of maintaining communication and contacts, which is undoubtedly determined by the specific details of the business activity,
and its strongly orientation towards the consumer, as the ability to make contacts, attentiveness and maintaining good relations keeps the consumer on board, which is finally related to the activity’s end results.

Managerial mentality is especially reflected in a manager's management style. During the course of this research it was noticed that in business organisations there was a distinct move away from an autocratic towards a democratic style (Česynienė, et al., 2002; Diskienė and Marčinskas, 2007). At present, many managers (over half of those surveyed) give priority to a democratic work style based on cooperation, mutual respect and the authority of the manager. This approach is in line with today's modern management philosophy concept of coming to an agreement, instead of dominating relations. In this sense, the orientations of managerial staff to leadership are gradually being transformed. If earlier the management would practically base itself upon its authorities and orders, then now we can say that it is basing itself on cooperation between managerial staff.

These managerial attitudes are rather strong and objectively founded, as is shown by their approach to choosing the desired leadership style. That is, if they were not bound by the prevailing traditions of an organisation, norms or surrounding factors and such, managers would primarily choose a democratic or participative style, which was placed second in the list of the managers’ priorities. It is clear, that the complete realisation of a participative style is possible with a high level of managerial intellectual, organisational and psychological-communicative abilities. But, different research results are also quite contradictory: some certify its influence on the effectiveness of business activities and work satisfaction – others do not. However, it cannot be denied that awarding the rights to participation to subordinates is an integral characteristic of effective managerial work style.

Evaluating this choice made by managers, it should be noted that the managerial thinking stereotype – that the democratic style is one of the best – is still active. Yet, further to this, a complete shift to democracy is a kind of utopia. The autocratic component should exist and organically compliment the democratic. It would be optimal if a balance could be found between both leadership styles in the organisation, as each has its own advantages, which must be rationally utilised.

The orientation of Lithuanian managerial attitudes towards staff and tasks is rather telling and strict. The different combination of these dimensions may have ambiguous effects. Irrespective of great attention given to subordinates and structure levels, which should ensure greater group activity effectiveness and have a positive result on subordinate satisfaction levels, this is not guaranteed as situational factors may have a great and unexpected influence (Mullins, p. 290). In addition, research conducted in Japan (Misumi, 1985) highlighted that effective management requires orientation towards both the task and to staff relations. In the opinion of almost a third of managers (28.2%) task orientation is among the most effective choices. This is clearly a short-sighted position bringing only short-term benefits. A manager seeking long-term success must find a certain sensible balance between the two orientations, because if all attention is directed towards task completion and staff needs are completely disregarded, sooner or later they will receive a negative reaction to this behaviour, which will clearly reflect on work quality. Conversely, if creating a friendly workplace atmosphere is over-prioritised along with the creation of good interpersonal staff relations, the work itself will suffer, i.e., task completion. Realistically, only a quarter of the surveyed managers expressed a more or less substantiated opinion in favour of the rationality of combining both orientations. This particular understanding of managerial orientation precisely reflects one of the developing trends in modern management – a strengthening of social management and its orientation towards people. Under the current circumstances more and more managers should come to the understanding that meeting set goals can only be achieved by the harmonious and effective teamwork of the entire collective. This is why the
proper combination of both orientations is important, i.e., to improve activity results and form and maintain good relations within an organisation’s groups.

In summary, it may be stated that as there are many approaches towards leadership styles, the aim should be to seek out a synthesis, in a results context. Good results can be attained not only due to effective management, but also by the effects of various coincidences. The uneven development of social factors, weakly predictable inter-social relations, especially over a longer term, demand that managers make an adequate assessment of the situation, make a creative analysis of the objective surrounding restrictions and the potential ways they may be overcome, and predict the outcomes of decisions that have been made. In other words, they must be able to apply in practice experiences garnered from management science, as well as their own strongest characteristics.

5. Managerial attitudes in Lithuania: the area of personnel motivation

When discussing managerial attitudes that motivate staff one should keep in mind, that the personal motivation knowledge and skills a manager may have will not always guarantee the effectiveness of this process. There is often a wide gap between how well managers understand the importance of staff motivation and how effectively they are able to actually motivate staff.

It may be said that managers’ motivational competency does not always meet today’s realities, and sometimes even the most basic knowledge is lacking, even though almost any management textbook (especially Lithuanian management literature) will present a standard selection of motivation concepts (content and process motivation theories) for managers’ disposal, to serve as a kind of practical base when formulating motivational measures. At the same time however, it is often overlooked that the application of theories created in the 1940s-1960s is complicated, if not without purpose overall, with no modifications or revaluations based on realistic changes occurring in the external environment that are usually considered when forming new motivational technologies in tune with the rapidly changing contents and orientations of management activities. Yet despite the amount of knowledge available, far from every staff member in the chain of command of an organisation will have heard about anything beyond Maslow’s hierarchy of needs pyramid.

Frequently, the implementation of motivational systems (bonuses, gifts, training courses and alike) in organisations is reduced to following the latest fashion trend. However, they cannot deliver the desired benefits, because if staff find their work inherently boring and gain no satisfaction, then no falsely created motivational system can make their work suddenly interesting, and will not have an impact on their contribution to the end result (or if so, then only briefly). The lack of interest in one’s work reduces the quality of work, the work-rate, and the desire to take on any responsibility.

Global experience in the area of personal motivation underlines the necessity of ascertaining just what staff needs is. Do Lithuanian managerial attitudes reflect the importance of understanding staff needs? According to managers, their staff holds almost equally important higher level needs (personal achievement, self-actualization) and lower level needs (safety, communication; are existential needs; see Figure 2). In the opinion of managers, most staff seek security in their workplace, which encompasses aspects such as favourable work conditions and proper, official instructions, a clear understanding of requirements and assessment criteria, acknowledgement and respect, and to work with an effective manager and leader who is able to make decisions. The need for personal achievement is also one of the most important staff needs, because the actual opportunity to learn and improve meets the need for personal achievement, which in turn, facilitates more comprehensive use of staff potential.
The communication need is also accentuated among staff, and is given more importance, according to managers, than existential and self-actualization needs. It should be noted however, that the satisfaction of communication need will not guarantee greater productivity and may even have the effect of making the actual completion of tasks of secondary importance. This may be partly explained by the fact that employees in the business sector maintain closer and more intense contact with consumers, and good relations with consumers are closely linked to the end result, i.e., a successful business. The connection – good relations with the consumer – gives instant encouragement towards successful activities.

Some of the most notable changes in managerial attitudes have been observed in the existential staff needs group. Existential needs no longer carry the same importance as is commonly thought. According to Mitchell, in today’s society, higher level needs are becoming better motivating factors than lower level needs. To most people, physiological and safety needs no longer play a deciding role and they serve as a guideline mainly among representatives of the less wealthy classes (Mitchell, 1978, p. 157).

Managers’ orientation towards staff motivation is reflected in the adequate use of motivational leverage, illustrating managers’ attitudes regarding the motivational process. Motivational measures, their classification and effective application are most probably among the most discussed issues among both theorists and practitioners. In Lithuania, authors such as P. Jucevičienė, I. Bučiūnienė, A. Sakalas, A. Seilius, L. Marcinkevičiūtė and others have made great steps in resolving this issue.

The application of the wealth of experience in the West, which Lithuanian managers and practitioners are trying to learn as part of various training seminars or short visits abroad, in Lithuanian organisations, it is often reminiscent of somewhat chaotic efforts at reaching an analogical effect. However, such a superficial approach in applying motivational measures, without a more comprehensive situational analysis and lacking complexity only serves to highlight the inadequacy of their motivational competency levels. This is in part confirmed by research results that have shown that staff motivational priorities do not completely correspond with the motivational leverage applied by managers in practice (see Figure 3).

As was thought, most importance is placed on monetary encouragement systems, as was confirmed by a majority of business organisation respondents (70%). Monetary reimbursement for work is one of the most universal factors that motivate people to work, but the effectiveness of monetary encouragement depends on what money symbolises to the staff member. In order for money to act as a motivator, the manager must know their staff, know the tasks they need to complete, and know the conditions they work in (Beach, 1985, p. 309). Monetary encouragement in part concurs with the importance of staff security needs (in the opinion of managers, this need is dominant). This in particular gained relevance in Lithuania.
and other East European countries during the period of economic transformation when workers became concerned about keeping their jobs.

![Figure 3. Most frequently applied measures for staff motivation in Lithuanian business organisations, 2006 (%)](chart)

Values expressed in %

<table>
<thead>
<tr>
<th>Measure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>6.6</td>
</tr>
<tr>
<td>Work re-designing</td>
<td>14.4</td>
</tr>
<tr>
<td>Improvement of task assignation</td>
<td>36.8</td>
</tr>
<tr>
<td>Inclusion of staff into the organisation’s management</td>
<td>39.9</td>
</tr>
<tr>
<td>Plans for self-education and higher qualification training</td>
<td>55.7</td>
</tr>
<tr>
<td>Monetary encouragement systems</td>
<td>70</td>
</tr>
</tbody>
</table>

Source: created by authors on the basis of the 2006 empirical survey.

However, the infatuation with monetary encouragement should not be over-emphasised. A salary is not a motivator, as stated in Herzberg’s theory. It is at most a hygienic factor, i.e., it can keep people at an organisation, but cannot motivate them in itself. Or to be more precise, not every staff member sees the money element as the stimulus that would motivate them to complete a given difficult task. Irrespective of this, many managers place special importance on money as a motivator, even though money often becomes a tool for manipulation and so loses its stimulus role.

The evaluation of managers’ orientations towards the application of motivational leverage would not be objective without considering their opinion about the restrictions on the effectiveness of motivational technologies. Unfortunately, the sophistication level of those surveyed is not sufficient, evaluating the macroeconomic situation and public mentality (almost half the respondents either ignored or were unable to evaluate the situation, i.e., their competency point range is very low, equal to 1 or 0). In summary, it can be said that one of the weak points of the application of motivational technologies is the limitation of financial resources for encouragement purposes, as it does not make use of developing staff abilities to their full potential. Encouragement is weakly related to efforts, one’s qualification, competency and dedication to an organisation, which is why it does not motivate showing initiative and continual improvement. It is undoubtedly important that a country’s economic situation has a huge influence on staff motivation processes. This is linked to general economic development indicators, the state of the job market, current wage rates, and low worker activity, all of which strongly influence conditions for organisations themselves. Another aspect that cannot remain ignored is the evaluation of a given organisation’s motivational opportunities (its present resources and their potential re-grouping, the ineffectiveness of present incentives, and opportunities for using non-material leverage).
6. Managerial attitudes in Lithuania: when implementing control function

When considering managerial attitudes, it is correct to evaluate which are the dominant attitudes when implementing control functions. On the whole, control is not seen only as a procedure for judging the activities of subordinates, allowing managers to critically assess their own actions. According to Berry et al. (1995, p.18) it is foremost a procedure to inspire and motivate staff in carrying out an organisation’s activities which works towards meeting its goals. It is a process which allows for the disclosure and correction of its (unintended) errors, as well as intended misdemeanours such as theft or the improper use of resources. In other words, a manager extends a hand of assistance (which can be not only technical or professional, but also moral and psychological) to subordinates essentially, as a means of correcting their own errors.

The place, importance and implementation of control technologies in the management process have changed over time, from the classical management approach to control as an essential feature of a formal organisation or hierarchical management structure, to the value-based controls formed in new management paradigms (Eisenhardt, 1985), the control of the clan (Ouchi, 1979), and social control concepts (Das and Teng, 1998). Thus managers come across making an important choice between well-known, time tried and tested control-based management, and newer obligation-based management, which is more suited to current and future challenges.

At the present time, managers (especially higher levels of management) constantly feel ever-greater external pressures (interested participants, market conditions, social changes) on their organisations, their internal management structures and the effectiveness of interpersonal relations. The control problem in organisations only becomes more acute under such conditions. Despite the fact that managers are often convinced that in times of instability and the threat of a crisis, there is nothing better than the strategy of centralised decision-making, commands and monitoring (Cameron, 1987; Mishra, 1996), it is nevertheless advised that under the conditions of globalisation, when mobile resources (trust in drivers, staff loyalty, etc.) gain more and more importance in an organisation’s competitiveness, control is harder than ever to implement (Bijlsma-Frankema and Koopman, 2004, p. 204).

In Lithuania, this important managerial competency component is still given insufficient consideration. Even though the practical realisation is becoming ever more complex, the opinion still prevails, that management control is the most easily implemented component, requiring minimal professional preparation and skills. In general, the problem lies not in how modern management technologies are mastered, but the very attitudes towards their necessity. Unfortunately, among Lithuanian managers there is a distinct domination of attitudes orientated towards the rationality of bureaucratic control. These realities are a sign of the distance from today’s changes occurring on a global level, when new management control strategies are rapidly being formulated, orientated towards such intangible resources, such as knowledge and training, staff dedication, the organisation’s flexibility and initiative, and approachability.

It is worth mentioning that a manager’s readiness to change their attitude towards control implementation is greatly influenced by their mentality (especially among older managers). We should also not disregard Lithuania’s Soviet legacy in terms of management control and the methods for its implementation. The Soviet era was characterised by the truly hypertrophied significance and place of control. Future managers were convincingly assured that control was an important problem-solving measure. The reasons behind the unsatisfactory state of affairs in an organisation could be found in the control system. In other words, the earlier administrative practices gave control subjects distinct rights and created an obvious managerial distance. The controlling subject was always right, and the control operation was
expected to reveal clear negligence and errors. Control procedures that did not reveal such
ing results was considered inadequate and one that had not fulfilled its purpose.

Are the attitudes of managers towards one of the most important management control
tasks changing? That is, the identification of digressions and helping the sub-ordinate correct
their ways is a kind of indication of the transformation of management culture taking place in
companies. Although the absolute majority of managers believe that this is unquestionable,
there is still primarily only a declarative attitude. In the opinion of some managers, this type
of control principle does not suit the conditions of certain Lithuanian companies. It is often
noticed, that there is still quite a gap between Lithuanian managers’ understanding of the
mission of management control: Western managers aim to identify digressions in activities
and help their subordinates amend the situation; Lithuanian managers aim to identify the
digressions and simply punish the guilty parties. Thus, there is an unbalanced approach to the
application of punishments, where it is believed that it is most important to capture and punish
the sub-ordinate. However, punishment is not revenge for the subordinate’s improper
behaviour, but more a kind of barrier which would have to block the path for similar actions
in the future, and serve as a guideline for the whole collective. Punishment should be
creatively implemented, and most importantly, it should be clear that it is the person's
behaviour being judged, not the person themselves.

The dominating managerial attitudes in the implementation of control functions show
that in Lithuanian organisations, control has not yet organically grown into the management
process. It is hard to understand rationally organised management, where control becomes a
mere formality, or the passive expression of the manager’s interests. Other important negative
aspects of management control are those which clearly emerge as a result of the inadequate
managerial competency of managers, and that generally reflect the described management
culture. That is why there is a foundation for stating that the importance and purpose of
management control is not sufficiently understood in our organisations, as is reflected in
managers’ managerial attitudes.

**Conclusions**

It has been noticed that in Lithuania, as in other CEE countries, the understanding of
the role of a manager is undergoing cardinal changes: an organisation’s success depends more
and more on how a manager can rally a team towards meeting pre-set goals, and their ability
at revealing, utilising and managing people’s potential. Irrespective of the noted shortcomings
in the field of managerial competency, the current level of competency should ensure a good
understanding of the purpose and process of the work being carried out, the ability to make a
qualified analysis of a given situation, and independent thinking when making decisions or
foreseeing alternatives.

The inadequate understanding of the importance of planning, especially strategic
planning, was also noticed, and this is related to the fact that managers still need more
rationality and perspective in their thinking (they still often live for the moment), and to have
a clear vision, the lack of which has a negative impact on preparing activity development
strategies. Up till now, a stronger orientation towards a more conservative planning style
dominate in business organisations, where staff are practically separated from the
organisation’s future activities.

Organisations’ understanding of the links between the logic of managerial
organisational structures and the influence of surrounding elements is rather rational and
substantiated. However, managerial attitudes towards the balancing of authorities and
responsibilities demonstrate insufficient competency, and the realistic practice of this
imbalance between authorities and responsibilities was noticed.
At present, in the majority of business organisation managers' managerial attitudes a clear push towards a democratic style was seen, one based on cooperation, mutual respect and the authority of the manager, which is in line with the modern management philosophy concept of coming to an agreement, based on cooperation between managerial staff, and not dominating relations. Unfortunately, there is a more one-sided situation in regards to orientation to the staff or to the task, i.e., in essence, Lithuania’s managers are more orientated towards the task at hand, which clearly goes against one of the spreading trends in modern management, where there is a strengthening of social management types and its greater orientation towards people.

It is noteworthy, that in organisations, there is an asymmetry between motivational leverages and knowledge of the motivating priorities of the staff, resulting in managers’ inadequate application of motivational leverages in practice. In addition, the objectivity of Lithuanian managers’ application of motivational leverages in reduced due to their insufficient sophistication, evaluating the macro-economic situation and mentality, which realistically determines the limited effectiveness of motivational technologies.

In Lithuanian organisations, control has not yet organically grown into the management process and this is related to the fact that there is still no guarantee of a suitable level of control implementation, as the dominating attitudes are orientated towards bureaucratic control standards. These realities are evidence of the distance from today’s changes occurring on a global level, where new management control strategies are rapidly being formed that are orientated towards such intangible resources, such as knowledge and training, staff dedication, the organisation's flexibility and its initiative and approachability.

To summarise, it is necessary to turn attention to the fact that Lithuania's managers are not always able to adequately and effectively react to market needs, or evaluate newly arising issues in a globalisation-affected environment. This may be identified as a problem of national importance which clearly requires an adequate program.

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VADYBINĖS NUOSTATOS GLOBALIŲ ĮŠŪKIŲ KONTEKSTE: LIETUVOS ATVEJIS

Danuta Diskienė, Birutė Galinienė, Albinas Marčinskas

SANTRAUKA

Straipsnyje pabrėžiama vykstančių globalių pokyčių įtaka vadybos potencialui Lietuvoje. Išskiriama vadovo vaidmens transformacijos aspektai. Autorių atlikto empirinio tyrimo pagrindu atskleidžiamos dominuojančios verslo organizacijose vadybinės nuostatos, kurios analizuojamos valdymo funkcijų (planavimo, organizavimo, vadovavimo, motyvavimo, kontrolės) kontekste bei įvertinamas jų atitikimas modernios vadybos standartams.

REIKŠMINIAI ŽODŽIAI: vadybos veiklos transformacijos, vadybinės nuostatos, vadybinė kompetencija, vadybos funkcijų realizavimas.