

# LEADERSHIP AND MANAGEMENT IN THE HEALTH CARE SYSTEM: LEADERSHIP PERCEPTION IN CLUJ COUNTY CHILDREN'S HOSPITAL

Călin HINȚEA  
Cristina MORA  
Tudor ȚICLĂU

## Abstract

Healthcare reform has been a hot topic in the last decades all over the western world. Romania isn't an exception, after 1989 a lot of changes took place in the public sector, including changes in the healthcare services. However, we are interested whether these changes have had a significant managerial component and more importantly whether leadership has played an important role in bringing them on. This study analyses the role and functions of management and leadership in delivering healthcare services in Romania, starting from the last major changes that took place in 2006 – Health Reform Laws. We were interested to see whether this new legal framework has a managerial component and whether leadership can be a key force in changing the system. We have conducted a pilot study in a Cluj County Children's Hospital to see how leadership is perceived there and whether this component is open to change, thus reform. The results show a substantial inconsistency between the managers' perception on his style of leadership and the medical staff.

## Călin HINȚEA

Associate professor, Public Administration Department,  
Faculty of Political, Administrative and Communication  
Sciences, Babeș-Bolyai University, Romania  
Tel.: 0040-264-431361  
Email: hintea@apubb.ro

## Cristina MORA

Lecturer, Public Administration Department,  
Faculty of Political, Administrative and Communication  
Sciences, Babeș-Bolyai University, Romania  
Tel.: 0040-264-431361  
Email: cristina@apubb.ro

## Tudor ȚICLĂU

Researcher, Public Administration Department,  
Faculty of Political, Administrative and Communication  
Sciences, Babeș-Bolyai University, Romania  
Tel.: 0040-264-431361  
Email: tudor.ticlau@apubb.ro

## **Management and Leadership defined**

Polemics about management and leadership have been around for quiet some time, arguments being put forward for and against the idea of the two being different. We will not make an exhaustive presentation of these arguments but rather make a short summary that will support our point of view that even though management and leadership have a common basis and share key characteristics there are significant differences that make a managers and leaders job different. We will start by pointing out different definitions of the two concepts.

Management is seen as a social discipline that deals with the behavior of people and human institutions (Drucker, 1999), and a manager sets objectives (...) organizes, motivates and communicates (...) and develops people (Drucker, 1953, pp. 343-344); the manager is the dynamic, life-giving element in every business. Without him the "resources of production" remain resources and never become production. Management is getting people to work harmoniously together and to make efficient use of resources to achieve objectives (Mcmahon *et al.*, 1992).

To sum it all up, management can be seen as a process of reaching the set objectives of an organization through usage of human, physical, and financial resources with the best possible means combination and making the appropriate decision while taking into consideration the external environment. Management is quite a unique concept because rather than having a universal approach it is rather contingent as Goodwin argues - there is no equivalent science of managing since management is contingent upon particular circumstances and contexts and has no universal application (Goodwin, 2006). The same point of view is shared by Dorros (2006, p. 5) who sees the management of any institution or organization as determined by the policies, structures, processes and cultural values in which it is practiced and adapted to the context in which it seeks to achieve results. The single most important purpose of management is to make effective and efficient use of institutional and organizational resources to achieve results outside the organization.

Moore (1996) catalogued the different approaches to management in four major categories:

- Traditional bureaucracy – with an emphasis on clear structure, hierarchical chains of command, clear accountability for performance (Taylor, 1911);
- New Public Management – with an emphasis on making organizations more like firms, operating in markets through the introduction of competition to improve performance (Hood, 1991);
- 'Japanese' organization model or 'clan'– 'solidarity' model of organization in which a sense of identity with, and pride in, the organization itself is the main source of motivation;
- Professionalism – shares the 'Japanese' model's assumption that people work better when they are trusted and their performance is not closely monitored; the sense of identity is with the profession rather than with the organization, or possibly loyalty to both exists.

Regarding the role of a manager Mintzberg (1973) classified them in three major categories with specific sub roles and tasks linked to them:

1. **Informational** - this includes monitoring (seek and acquire work-related information), dissemination (communicate/disseminate information to/with others within the organization) and PR (transmit information to the external environment).
2. **Interpersonal** - this includes representation (perform social and legal duties, act as symbolic leader) being a leader (direct, motivate, train subordinates) and creating the liaison (establishing and managing contacts within and outside the organization).
3. **Decisional** - the third role includes entrepreneur (identify new ideas and initiate improvement projects) conflict manager (solving disputes or problems and overcoming crisis situations) allocating resources (set and distribute resources according to priorities).

The central point about these world-views, or doctrines, is that management is not a purely technical enterprise; ideas, culture and ideologies make a real difference (Hunter, 2007, p. 57), which we will see determine a strong link with leadership.

From all the above definitions and opinions regarding management we can draw some basic characteristics of management:

- It involves having a goal/set of goals, objectives that are shaped by the organization and its environment;
- Managers need to have a clear understanding of the available resources (from financial to human) in order to allocate them for the defined objectives;
- As a process it involves a set of actions like planning, organizing, control, budgeting, evaluation (probably the most famous reference for this is Gullick's POSDCORB);
- Although having a set of common characteristics management does not have a universal character but rather it is influenced by the type of organization and the external environment (see Goodwin, 2006);
- Probably the most important characteristic is that management is focused on getting the things done, achieving results –the ultimate goal of any manager;
- Last but not least important, management is also about individuals, thus their personal beliefs, values and motivations have a major role in the activity of any manager.

Alongside management, leadership is probably one of the most debated concepts in relation to an organization's performance. Even though it seems a straightforward and simple concept it is quite hard to say precisely what it refers to, that is why such as management, there is an abundance of definitions regarding leadership. Leadership studies started to arise in the mid '70s and evolved dramatically in the last decades. In the 1970s, behavioral theories of leadership dominated the scene, attention being placed upon process-goal relation, leader-follower exchange theories and decision-making theory. In the 1980s, these traditional theories that emphasized natural cognitive

processes used by leaders faced competition from newer theories about the styles of charismatic, transformational and spiritual leadership (see Yukl, 1999, 2002). Yukl (1989) argues that “the numerous definitions of leadership that have been proposed appear to have little else in common than involving an influence process. This is then taking place within an asymmetrical relationship: the leader is exercising influence over the follower”. He defines leadership to include influencing task objectives and strategies, influencing commitment and compliance in task behavior to achieve these objectives, influencing group maintenance and identification, and influencing the culture of an organization” (p. 253). We will present a few definitions in order to see some common characteristics regarding the concept of leadership. Leaders are individuals who establish direction for a working group of individuals who gain commitment from this group of members to this direction and who then motivate these members to achieve the direction’s outcomes (Conger, 1992, p. 18). Another opinion is that leadership revolves around vision, ideas, direction, and has more to do with inspiring people as to direction and goals than with day-to-day implementation. A leader must be able to leverage on more than his own capabilities. He must be capable of inspiring other people to do things without actually sitting on top of them with a checklist (Bennis, 1989, p. 139). Northouse (2004, p. 3) sees leadership as a process whereby an individual influences a group of individuals to achieve a common goal. In the same light, Donnelly *et al.* (1985, p. 362) states that leadership is an attempt of influencing the activities of followers through the communication process and toward the attainment of some goal or goals. Last but not least, according to Prentice (1961, p. 143) leadership is the accomplishment of a goal through the direction of human assistants; a leader is one who successfully marshals his human collaborators to achieve particular ends.

All the above point to a series of common characteristics regarding leadership:

- Leadership is a process of influence upon others (inspiration is the common term);
- Leadership is a group phenomenon, you cannot talk about a leader without a group of followers;
- It is goal oriented – in the sense that the influence process is made in order to achieve some kind of goal or purpose;
- Leadership is rather inspirational and “non-material” (you cannot put your hands on it, but it has great impact).

Newer theories of leadership, however, put the emphasis on emotions, values. This is related to changes in organizational theory, especially the system approach, where uncertainty and external factors play a huge role in the organizations output. This rendered a change in leadership theory also, the most suitable example being the transformational leader approach. James McGregor Burns was the first to introduce this concept (1978), and linked leadership with the process of change. Burns suggests that the role of the leader and follower be united conceptually and that the process of leadership is the interplay of conflict and power. Burns delineates two basic types of leadership: transactional and transformational. The transactional leader approaches

followers with the intent to exchange one thing for another, for example, the leaders may reward the hard-working teacher with an increase in salary. On the other hand, “the transforming leader looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower” (Burns, 1978, p. 4). Burns’ position is that leaders are neither born nor made; instead, leaders evolve from a structure of motivation, values, and goals. This does not mean that other theories are not significant, but considering the subject and purpose of this study, Burns’ theory lies at the base of the “why” argument and for choosing the research instruments (discussed at the beginning of the Case Study).

In the same line Avolio has shown (Avolio, 2005; Luthans and Avolio, 2003) that transformational leadership is comprised of at least four interrelated behaviors or sets of actions:

- **inspirational maturation** – articulating an appealing and evocative **vision** about what the organization wants to become, and how it wants to serve its customers and related stakeholders;
- **intellectual stimulation** – promoting opportunities, and organizational cultures, that encourage creativity and innovation among staff;
- **idealized influence** – providing a role model for staff at all levels;
- **individualized consideration** – engaging in coaching and mentoring roles that empower staff.

From transformational leadership, same author argues, we should remember that (Avolio, 2005):

- subordinates judge leaders as more effective when they engage in transformational behaviors;
- transformational leaders exist at all levels of organizations;
- the more transformational is the leadership at higher levels in the organization, the more it is found at lower levels, including in its teams.

We can notice that, as managers, leaders affect through their actions, the organization as a whole, whether directly or indirectly. Also related to what was discussed above, this type of leadership approach is linked to the way we defined management earlier, the common important element being change and adaptability of both leaders and culture, and through them of the organization.

### **Managers and Leaders – competing perspectives**

Probably one of the most cited opinion regarding the two concepts is Warren Bennis’ succinct statement: “Managers are people who do things right and leaders are people who do the right thing” (Bennis and Nanus, 1985, p. 21). He explains this as follows – there is a profound difference between management and leadership, and both are important. To manage means to bring about, to accomplish, to have charge of or responsibility for, and to lead. Leading is influencing, guiding in a direction, course, action, opinion. The distinction is crucial. The difference may be summarized as activities of vision and judgment versus activities of mastering routines (Bennis and

Nanus, 1985, p. 21). On the same side Bass (1990, p. 383) thinks that leaders manage and managers lead, but the two activities are not synonymous. Management functions can potentially provide leadership; leadership activities can contribute to managing but nevertheless, some managers do not lead, and some leaders do not manage. A more comprehensive presentation of the differences between the two was offered by Abraham Zaleznik (1977). The difference between managers and leaders, he wrote, lies in the conceptions they hold, deep in the psyches, of chaos and order. Managers embrace process, seek stability and control, and instinctively try to resolve problems quickly – sometimes before they fully understand a problem’s significance. Leaders, in contrast, tolerate chaos and lack of structure and are willing to delay closure in order to understand the issues more fully in this way.

Because of its broad nature, leadership and management are sometimes used as interchangeable, although there are differences between the two. These differences arise from criteria like:

- legitimacy - for managers this mostly comes from their results or based upon a contract which stipulates clearly their tasks while leaders have a more broad and ambiguous legitimacy base;
- position in the organization - usually managers can be seen both on middle level positions while leaders can be found mostly at the top of the hierarchy<sup>1</sup>;
- power - managers draw their power mainly from their formal position and regulations while leaders influence the people through more informal methods;
- type of action - managers can be effective even if there is no change involved (maintaining the status quo) while leaders are usually associated with change (transformational leadership).

Authors have proposed a distinction between managers who rely more on their formal position and leaders who rely more on their personal abilities (Kotter, 1985; Zaleznik, 1977). In this way, managers are using things like planning, budgeting, organizing or controlling as tools or means to reach ends, while leaders rely on vision, coalition building, inspiration, feelings, thinking. From this point of view managers can be only managers or they can be managers and leaders. One synthesis of this idea is the following: “Management can get things done through others by the traditional activities of planning, organizing, monitoring and controlling – without worrying too much what goes on inside people’s heads. Leadership, by contrast, is vitally concerned with what people are thinking and feeling and how they are to be linked to the environment to the entity and to the job/task” (Nicholls, 1987, p. 21). Even though there are some differences between managers and leaders, it is our opinion that it’s hard to distinguish clear between the two in practice.

---

<sup>1</sup> Surely we can have informal leaders at lower levels in an organization but they tend either to get promoted if they support the official policy or are eventually thrown out if they are a source of resistance to official policy.

In practice, managers frequently to some extent rely on plans, they coordinate and control and use bureaucratic means, but they also try to create commitment or at least acceptance for plans, rules, goals and instructions (Alvesson, 2002). Making people understand the purpose of, and create meaning around the goals and objectives of the organization means both formal procedures and instruments and informal ones. *“Managers affect thinking and feeling in connection to managing specific tasks and goals, thus making leadership and management difficult to differentiate in practice”* (Alvesson, 2002, p. 101).

Warren Bennis (1997) summarized these differences clearly<sup>2</sup>:

Manager	Leader
The manager administers	The leader innovates
The manager is a copy	The leader is an original
The manager maintains	The leader develops
The manager focuses on systems and structure	The leader focuses on people
The manager relies on control	The leader inspires trust
The manager accepts reality	The leader investigates it
The manager has a short-range view	The leader has a long-range perspective
The manager asks how and when	The leader asks what and why
The manager has his/her eye always on the bottom line	The leader has his/her eye on the horizon.
The manager imitates	The leader originates
The manager accepts the status quo	The leader challenges it
The manager is the classic good soldier	The leader is his/her own person
The manager does things right	The leader does the right thing

Source: Bennis (1997), p. 9.

Bennis also offers three key ingredients for successful leadership (Bennis, 1989):

- A clear vision of what needs to be accomplished;
- Passion or an intense level of personal commitment;
- Integrity or character.

### **Leadership and Management in Healthcare**

As in the case of any other organization, leadership and management play a central role also in healthcare, especially concerning reform movements, types of services provided, quality of services and resource use. As we stated earlier, there is no universal recipe for successful management and leadership, contextual factors like political system and socio-economic factors play a significant part in the outcomes.

<sup>2</sup> We do not totally adhere to these differences – for example a manager is not always focused on short term action (strategic planning and management for example) – and change can be brought around by managers (Change management, Organizational Development) but Bennis’s categorization is helpful in creating a general view concerning the differences between the two.

In general terms, a healthcare system needs to accomplish two basic things (adapted from Dorros, 2006):

- Improve the health status of the population (according to certain criteria and targets);
- Deliver services in the most efficient way possible in order to accomplish the first goal.

Moreover regardless of country, when trying to reform healthcare systems, governments need to ask themselves 3 basic questions (Evans, 2005):

- Who pays for care (and how much)?
- Who gets care (what kind, when, from whom)?
- Who gets paid how much, for doing what?

Having that in mind, a healthcare system is undoubtedly influenced – in reaching those goals – by both of them. In this sense Filleman (2003) sees major problems caused by the acute lack of understanding of the direct link between the lack of "hard" management skills at all levels resulting in poor outcomes of the health systems.

Management has been an essential component of healthcare for more than a century, with different stages of evolution (Ross *et al.*, 2002, pp. 4-5):

- Initial organization and structure: 1910 to 1935;  
This period was the infancy stage of healthcare organizations; legal framework, creation of structures and way of functioning being the central aspects.
- Productivity: 1935 to 1955;  
This is the period of scientific management in healthcare, mechanization and standardization of internal processes being the main concern. Integrated care started to become more and more important.
- Systems movement and management control: 1955 to 1970;  
Technology plays a more important role in delivering better and more diverse services. Effectiveness of services provided becomes important.
- System networking: 1970 to 1980;  
The innovative aspect of this period is the tendency of creating links, networks of healthcare services. The economic crisis forced the systems to adapt, for a more efficient and rational use of available resources. It also meant joining forces for a common goal: better health. Private healthcare providers also form alliances.
- The new competition: 1980 to 1995;  
The most important change was the introduction of competition in this line of services. Lack of resources for ever-growing demands and new health threats meant the classical organization had to change. Innovation is key for surviving, technology playing a major role.
- Reinvention: 1995 to the present;  
Increasing expectations and new developments in the field of medicine meant a more dynamic environment. Leaders and managers face increasing number of new situations where the old rules do not apply, thus the need for exploring new executive competencies in order to increase the quality of decision-making.

In this context, the reform of healthcare in the last 20 years has been especially concerned with decentralizing services and downsizing healthcare structures (Dorros, 2006, p. 7), bringing services closer to specific community needs and allowing greater decisional power to local managers, with the expectation of increasing efficiency, equity and community participation in the health service delivery process (Mills *et al.*, 1990).

Dorros (2006) argues that in this complex and constant-changing environment a new approach is needed – management with a strong leadership role. The implementation of these reform policies, in resources poor and changing health context, calls for both leadership and managerial competencies at all levels and particularly at the decentralized level of the health system (Dorros, 2006, p. 8).

In Romania, one of the major components of the reform was decentralization of the system. The changes initially started after the fall of the communist regime, in 1989, when measures were taken – in the early 90's – in order to shift from a centralized healthcare to a social insurance type<sup>3</sup>. Insurance was mandatory and a single fund was created in order to cover expenses through the National Health Insurance House. The last major changes took place in 2006, with the introduction, among others, of the Hospital Manager, who is the head of the hospital and has a direct contract with the Ministry of Health but has a substantial level of autonomy. The contract includes performance indicators and based on a yearly evaluation it is prolonged or ended. Considering this paper's subject it is this new approach that interests us.<sup>4</sup>

It is from this perspective that we analyzed (see case study) the way in which management and leadership influence the outcomes of healthcare services.

### **Leadership perception: Pilot Study in a Public Hospital in Cluj-Napoca**

The Children's Hospital is located near the center of the town, on Moșilor Street nr. 68 and is comprised of: Pediatrie 1, Pediatrie 2 and Pediatrie 3. Because the three clinics had different locations, the current study focused on only one clinic, Pediatrie 1, which represents the central point of the entire organization. The Hospitals management team is comprised of:

The Manager and his management team – Medical Director, Financial Director, Human Resource Director and Health Care Director<sup>5</sup>.

Medical staff is comprised of 365 (doctors and nurses), not including auxiliary personnel and non-medical staff. The Children's Hospital is a university clinic; it serves

---

<sup>3</sup> The most important legal provisions that made this change possible were Law no. 145/1997 regarding the introduction of a social insurance system, Law no. 74/1997 regarding the organization of the college of physicians, Law no. 100/1998 on public health assistance and Law no. 146/1999 on hospital organization.

<sup>4</sup> Major changes were also brought regarding policy making, financing, management of pharmaceuticals, education in public health, but these are not close to the subject discussed.

<sup>5</sup> Director de Ingrijiri.

both for delivering health care services and hosts courses for students at Medicine in years 4, 5 and 6, practice for resident medics and post-graduate courses for special medical staff. *Pediatrie 1* is structured in 5 major sections:

- Anesthesiology and Intensive Therapy;
- Surgery and Pediatric Orthopedics;
- Medical Genetics;
- Otolaryngology;
- Ambulatory.

### **Methodology and limitation of the study**

The study was conducted during a 2 week period<sup>6</sup>. However, we had preliminary discussions with the Manager of the hospital and the Medical Director in which the instruments used, the subject and purpose of the survey and how the results will be used were presented. The most sensitive issue was confidentiality, both the manager and the medical director expressing their desire of anonymous questionnaires.

The two instruments used were:

- OCAI tool based on the Competing Values Framework – Quinn and Rohrbaugh, (1982) (120 respondents);
- Leadership self administered Questionnaire based on Blake and Mouton managerial grid (1985) (5 respondents);

The OCAI tool has six dimensions on which it analyses organizational culture<sup>7</sup> but we are interested only in the leadership dimension. We compared the scores from this dimension to the results from applying the Blake and Mouton grid on the managerial team.

From the total number of 365 doctors and nurses, we selected 120 individuals to respond to the OCAI questionnaire. This was not a random selection but a convenience sample. From the 120 questionnaires we received 74 back, meaning a response rate of 61.6% which is reasonable, taking into account that no incentives were given to the respondents. The Leadership questionnaire was applied to the Manager and the direct subordinates – The Council of Directors (4 individuals) – because of two reasons: they have a direct contract with the manager and the ministry of health and secondly the manager of the hospital was reluctant to let us apply the questionnaire to other staff members.

Using the data offered by the application of the two instruments we tried to see whether the organizational culture and leadership style match – based on the fact that leaders are culture builders. In this sense the OCAI tool offered us a general view over the existing culture on six dimensions – we analyze here only one – the

---

<sup>6</sup> June 2009.

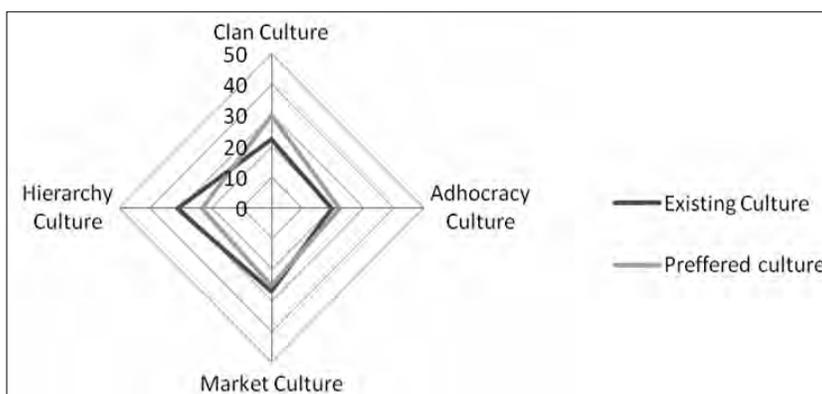
<sup>7</sup> Dominant characteristics, leadership style, management of employees, organizational glue or bonding mechanisms, strategic emphases, criteria of success.

leadership dimension. We compared this results with the information gathered with the Blake&Mouton grid.

Being a pilot study there are limitations: the results are only representative to this organization, but our aim was to test these instruments for future research, considering there is no precedent in leadership studies in healthcare in Romania. We consider this a first step for future studies that will spark a change of view from the traditional approach which only sees legal framework and formal aspects as significant for organizational outcomes.

### Results

Using the two instruments we tried to see whether there is a positive relation between the type of leadership and type of organizational culture, meaning that the common values and assumptions found at the organizational culture level will correspond to a type of leadership that encourages and promotes the same values.



**Figure 1:** Existing and Preferred Organizational Culture

**Table 1:** Existing and Preferred Organizational Culture on all 4 types

Culture Type	Current Culture (Avg.)	Preferred Culture (Avg.)	Difference Current and Preferred
Clan(A)	22.5	29.9	+7.4
Adhocracy(B)	19.6	22.3	+2.7
Market(C)	26.8	25.1	-1.7
Hierarchy(D)	30.9	22.7	-8.2

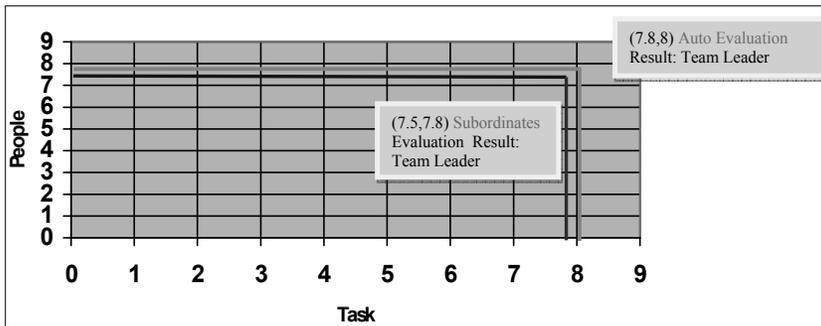
After applying the OCAI tool and computing the average scores we can see that the dominant culture is Hierarchy, achieving a score of almost 31 out of 100.

The Hierarchy Culture is characterized by:

- Formalized and structured place to work;
- Procedures and rules govern almost everything that people do;
- The specific leader is a good coordinator and organizer;
- Maintain a ing smooth running organization is important;

- The long-term concerns of the organization are: stability, predictability and efficiency; and
- The organization is held together by formal rules and policies.

In order to confirm our hypothesis, we should have got a leadership type that encouraged the things mentioned above. In Balke&Mouton’s grid, this corresponds to a person mostly focused on rules and procedures and results and a low level of concern for people (we can observe that none of the characteristics of this culture mention the importance of the human resource). In the Leadership Grid this would correspond to a high score on results – between 7 and 9 – and a low score on people – 0-3, resulting in the Authoritarian Leader Type.



**Figure 2: Evaluation Leadership Score**

The Leadership evaluation Questionnaire was applied to the manager – self evaluation – and to the direct subordinates – members of the Directorate Council. At first our intention was to apply this questionnaire to the entire population of the study, but the manager refused to agree, motivating that he rarely has contact with the other members and “they would not know what to write”. This reaction will be analyzed at the end of the study after the hypothesis testing.

Based on the final scoring – self evaluation and subordinates evaluation of leadership style – the result is that the current manager is a Team Leader.

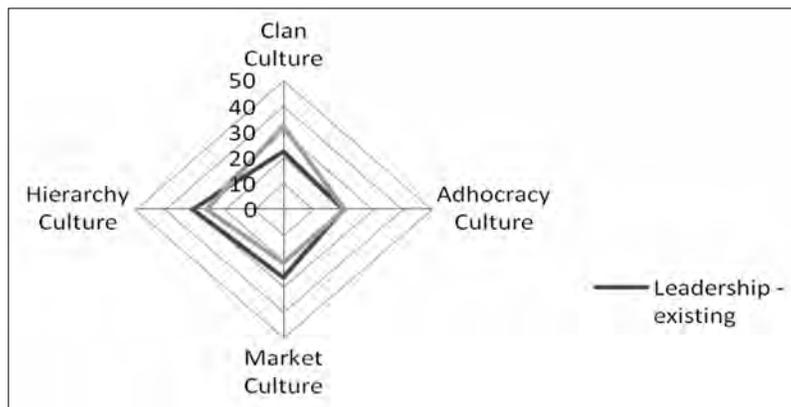
The characteristics for this type of leader are:

- Team members are treated equal;
- Fostering of a development environment so that subordinates can reach their full potential;
- Encourage the team to reach team goals as effectively as possible, while also working tirelessly to strengthen the bonds among the various members.

Even though on the results side we could find some resemblance, effectiveness and efficiency being a priority in both culture and leadership style, it’s clear that the Team Leader is also concerned about the individuals working in the organization, characteristic that is clearly minimized or eliminated in the Hierarchy Culture, where individuals resemble parts of a larger mechanism – when they brake down they just get replaced.

This situation is rather strange leading to a significant difference of perception between top management and the rest of the organization.

The analysis on the second dimension - Leadership - of the OCAI tool also revealed considerable differences between the current and preferred situation - see below.



**Figure 3:** Existing and Preferred Leadership Style from OC Perspective

**Table 2:** Existing and Preferred Leadership Style from OC perspective

Culture Type	Current Culture (Avg.)	Preferred Culture (Avg.)	Difference Current and Preferred
Clan(A)	22.5	32.5	+10
Adhocracy(B)	20	20.6	+0.6
Market(C)	26.5	20.6	-5.9
Hierarchy(D)	31	26.3	-4.7

The Market Culture is more present than the respondents would like – a negative difference of -5.9 (22.4%) which means that there is too much emphasis on things like competitiveness and control, the leaders is strict and demands high results, focus on outpacing the competitors. This negative difference is translated into a significant positive difference for Clan Culture - +10 (44%) meaning respondents would like a much higher focus on relations between them, a leader that will be a mentor or parent figure and success being defined not only through results but in terms of climate and concern for the people. Also the leader in this case should see teamwork, participation and reaching consensus as the golden principles to guide his work.

It is out of the ordinary how results came back different for Organizational culture type and leadership style. There are numerous studies that demonstrate that (Schein, 2002) the leader is a culture builder. The type of leadership will determine a corresponding organizational culture. In this case the results infirmed this theory, so we could say that there is an inconsistency between the theoretical model and the empirical data. However, the explanation lies elsewhere – in the informal aspects of collecting the data, and in the way the organization is managed.

As mentioned earlier, the leadership questionnaire only was applied to the general Manager and the members of the directorate Council (4 members). We initially wanted to apply this questionnaire to all the population of the study but we did not get the concurrence of the general Manager which stated that: "it would not be helpful in any way"; "they would not know how to complete the questionnaire, and even if they would know, what they say is pretty much irrelevant, as they do not know me, and they are always resisting my measures."

This attitude goes hand in hand with what the OCAI tool turned out – a Hierarchy Culture, meaning that we have a rather Authoritarian leader, than a team player as the leadership questionnaire shows. In our opinion, there are two possible explanations:

- Either there is an inconsistency in the instruments and methodology used, which is rather unlikely as these are standardized instruments, already used many times turning out consistent results;
- Either the manager tried to control the data collection process (as almost everything that goes on in the hospital needs to pass first through him) and while for the members of the Directorate Council this was rather easy, because of the daily meetings that they have, it was clearly more difficult for the other individuals participating at the study.

In our opinion, this is the more probable cause of the inconsistency of the results, because even the 74 people that responded to the OCAI questionnaire were first selected by the manager – again, the explanation was that if we go asking people randomly some of them might not know how to complete the questionnaire (even though all the participants had at least college level of education). This behavior actually confirms the fact that the leader was rather authoritarian and controlled the way in which the leadership questionnaire was completed by his direct subordinates so that there will not be differences between his answers and theirs.

## **Conclusions**

Throughout this paper we have argued for the importance of leadership in management in modern healthcare. We tried to offer a general image on how the two affect all activities surrounding health services. Looking at the latest changes in the Romanian healthcare system we expected to see a change at this level also, a change of approach, from the traditional legalistic view, to a more people oriented approach. More than this, we think that a comprehensive reform is impossible if only formal and legalistic aspects are considered as significant. The pilot study was an exploratory research and thus it's applicability is limited. But it is a good start to considering aspects like leadership and organizational culture as meaningful for the well functioning of an organization. The differences found in our case between the existing situation and the desired one may be the cause of major problems affecting this and other hospitals in Romania. It is also proof that the legalistic culture of the administrative system is manifesting itself in healthcare as well.

Another worrying aspect is that according to the results, change is the last thing on the management teams' mind, while the medical staff sees it as something necessary. This most probably is a major source of conflicts inside the organization, that eventually have negative consequences not only on the organizational members but also on the end-user, the citizen.

Developing leaders is one of the most important issues currently facing health care organizations. The growing need for strong leadership is openly linked to the changing environment in which public organizations have to operate. In the health care world this is even more central because it's connected in the end to survival. Moreover, challenges facing today's leaders are not independent and isolated, but interdependent. Financial shortages translate into insufficient workforce and poor motivation which then lead to poor quality services and in the end to a lower health status of the population.

As Manion argues (Manion, 2005, p. 32) "rapidity of change, workforce shortages, the free-agent mentality, increasing diversity in the workplace, the need for new organizational structures, the tumultuous business environment, and the need for managing one's own energy capacity' have resulted in a tremendous sense of urgency in health care organizations and have made clear the need for the identification and development of internal leaders as well as the mastery of new, nontraditional skills for these leaders".

## References

1. Avolio, B.J. and Gardner, W.L., 'Authentic Leadership Development: Getting to the Root of Positive Forms of Leadership', 2005, *Leadership Quarterly*, vol. 16, pp. 315-338.
2. Avolio, B.J., *Leadership Development in Balance*. Mahwah, NJ: Lawrence Erlbaum Associates, 2005.
3. Bennis, W., *Learning to Lead: A Workbook on Becoming a Leader*, Jackson, TN: Perseus Books 1997.
4. Bennis, W. and Nanus, B., *Leaders: The Strategies for Taking Charge*, New York: Harper & Row, 1985.
5. Bennis, W., *On Becoming a Leader*, Reading, MA: Addison-Wesley Publishing, 1989.
6. Burns, J.M., *Leadership*, New York: Harper & Row, 1978.
7. Conger, J.A., *Learning to Lead*, San Francisco: Jossey-Bass, 1992.
8. Donnelly, J.H., Ivancevich, J.M., and Gibson, J.L., *Organizations: Behavior, Structure, Processes*, 5th ed., Plano, TX: Business Publications Inc., 1985.
9. Dorros, G.L., *Building Management Capacity*, WHO, 2006.
10. Drucker, P.F., *Management Challenges for the 21st Century*, New York: Harper Collins, 1st edition, 2001.
11. Drucker, P.F., *The Practice of Management*, New York: Harper & Row, 1954.
12. Goodwin, N., *Leadership in Health Care: A European Perspective*, London: Routledge, 2006.
13. Hood, C., 'A Public Management for all Seasons?', 1991, *Public Administration*, vol. 69, no. 1, pp. 3-19.
14. Hunter, D., J., *Managing for Health*, New York: Routledge, 2007.

15. Manion, J., *From Management to Leadership. Practical Strategies for Health Care Leaders*, San Francisco: Jossey-Bass, 2005.
16. McMahon, R., Barton, E., Plot, M. Gelina, M., and Ross, F., *On Being in Charge. A Guide to Management in Primary Healthcare*, WHO, 1992.
17. Mills, A., Vaughan, J.P. and Smith, D.L., *Health Systems Decentralization: Concepts, Issues and Country Experiences*, WHO, 1990.
18. Mintzberg, H., *The Nature of Managerial Work*, New York: HarperCollins Publishers, 1973.
19. Moore, M., *Public Sector Reform: Downsizing, Restructuring, Improving Performance*, Discussion Paper No. 7., Geneva: WHO, 1996.
20. Northouse, P.G., *Leadership Theory and Practice*, 3rd ed., Thousand Oaks: Sage Publications, 2004.
21. Prentice, W.C.H., 'Understanding Leadership', 1961, *Harvard Business Review*, vol. 39, no. 5, p. 143.
22. Ross, A., Wenzel, F.J. and Mitlyng, J.W., *Leadership for the Future. Core Competencies in Healthcare*, Health Administration Press, AUPHA, 2002.
23. Yukl, G., 'Managerial Leadership: A Review of Theory and Research', 1989, *Journal of Management*, vol. 15, pp. 215-289.
24. Yukl, G., *Leadership in Organizations*, Delhi, India: Pearson Education, 2002.
25. Yukl, G., 'An Evaluation of Conceptual Weaknesses in Transformational and Charismatic Leadership Theories', 1999, *The Leadership Quarterly*, vol. 10, no. 2, pp. 285-305.
26. Zaleznik, A., 'Managers and Leaders - Are They Different?', 1977, *Harvard Business Review*, vol. 55, pp. 67-78.