Summary of the Promotion Paper
For promotion to the degree of Doctor in Administration
(Dr.admin.)

Rīga, 2010
Table of Contents

Abstract of the Promotion Paper .................................................. 3
General Description of the Promotion Paper ...................................... 4
Main Propositions of the Promotion Paper ....................................... 9
  1. Theoretical analysis of leadership development for times of change .... 9
  2. Empirical findings on leadership development .............................. 10
  3. Model of leadership development for times of change ................... 16
Main conclusions and proposals of the promotion paper ..................... 20
Author’s publications on the subject of the promotion paper ............... 25
Author’s reports on the results of the promotion paper in scientific conferences ................................................................. 26
Abstract of the Promotion Paper

The objective (mēkis) of the promotion paper is to provide the theoretical foundation on how leadership development works in times of change and crisis. As an essential part of this objective, the author wants to study particularly the relevance of role models and values during times of change for the development and training of leadership skills.

After the introductory part (chapter I), the second chapter of the promotion paper analyzes the theoretical background of this thesis: leadership, crisis leadership, training, values, and role models. The third chapter gathers all the empirical research of this dissertation including: surveys carried out in Latvia and EU on managers’ leadership development, surveys run among youngsters in El Salvador and Peru with findings on the relationship leadership skills – role models and values, the Leader100 training case, and complementary data from other surveys in leadership and training. In the forth chapter the author outlines the main findings of the promotion paper and proposes a model for the development of leadership talent during times of change. The author bases the building of the model on the empirical and theoretical findings which he has been depicting during the dissertation. The design of a training program, namely Leader100, is going to be used as benchmarking to exemplify the model. Within the promotion paper a new theoretical framework is presented for researchers and practitioners interpreting the key aspects for leadership development in times of change. The influence of external and internal factors has been studied as well as the degree of their influence. Crisis or change leadership theories and transformational leadership account for the most important part on the intellectual maturation of this framework. The author postulates that two important factors play a key role in leadership development during times of change. These two factors are system of values and role models. They either hinder or encourage extraordinarily the possibilities of leadership development. Particularly in times of change a system of values guarantees a basis and stability for the decision making process. Regarding role models, they make potential leaders to learn ongoing and to make wise decisions.

The main text of the promotion paper is laid on 170 pages and illustrated by 37 tables and 24 figures. The list of bibliography includes 110 sources.
General description of the dissertation

The topicality of the promotion paper (aktualitāte). The author believes that new contribution into leadership issues is needed because the present perception and handling of many current social and economic problems in Latvia and elsewhere demonstrates a lack of leadership development. The current environment marked with globalization and complexity calls for proposals and initiatives in academia and practice in the field of leadership and management education. Leadership skills are crucial for controlling this complexity, and training and education solutions should be oriented towards supporting the development of these skills. This thesis is aimed at studying how this contribution could be made effectively.

The thesis’s content, surveys and model are addressed to assist academia and leaders from the public and private sectors. However public servants and public administration practitioners and academicians constitute the primary audience. The reason is that leadership education needs institutional and cultural support from public organizations in order to progress later at a micro level in public offices, schools, universities, companies and families. Consequently public servants should understand leadership essentials if they want to support the improvement of quality in education, the competitiveness of private sector, and the raising of leaders for government, non-profits and corporations. It is a mistake to ease the role of human resources areas in public administration. “Attracting, keeping, and developing skilled and motivated people at all levels is a core function in the management of public organizations’ human resources.” (O’Toole) Unfortunately, not all agree on this statement. As examples, graduate programs of Public Administration still offer Human Resources courses as elective and Human Resources research in public settings is scarce (O’Toole). Swanson even goes further saying that “analyzing and understanding a nation’s human resource development related policies are directly related to the applications of macroeconomics”.

The objective (mērķis) of the promotion paper is to provide the theoretical foundation on how leadership development works in times of change and crisis. As an essential part of this objective, the author wants to study particularly the relevance of role models and values during times of change for the development and training of leadership skills.

In order to accomplish the objective, the author had to carry out the following tasks (uzdevumi):

- to perform a deep theoretical analysis of the field of leadership;
- to analyze various concepts and approaches of moral and crisis leadership;
• to study the impact of role models and system of values on leadership development;
• to undertake a broad empirical research in order to test the theoretical conclusions over the different key topics of the author’s research: leadership skills inventory, crisis implications for leadership development, leadership training, role models and values;
• to design a general framework which could help as foundation for practitioners and management education agents in the task of designing training initiatives on leadership for times of change.
• to design recommendations for management practice and management training on leadership development.

The area of research (pētījuma objekts) is leadership development; the object of research (pētījuma priekšmets) is the building of a model of leadership development.

Research hypothesis of the dissertation is that role models and system of values are two factors which could hinder or encourage significantly the possibilities of leadership development during times of change.

Substantiation of the paper contents. The structure of the promotion paper has been subjected to the tasks set forth for the dissertation. The paper consists of the introduction, four chapters, conclusions and recommendations as well as a list of literature and appendices. After the introductory part (part I), the second chapter of the promotion paper analyzes the theoretical background of this thesis: leadership, crisis leadership, training, values, and role models. The third chapter gathers all the empirical research of this dissertation including: surveys carried out in Latvia and EU on managers’ leadership development, surveys run among youngsters in El Salvador and Peru with findings on the relationship leadership skills – role models and values, the Leader100 training case, and complementary data from other surveys in leadership and training. In the forth chapter the author outlines the main findings of the promotion paper and proposes a model for the development of leadership talent during times of change.

Structure and size of the promotion paper. The promotion paper consists of 170 pages. The paper includes 37 tables and 24 figures. The list of bibliography includes 110 sources.

Research limitations. The research has been developed on a cross-cultural basis and using multiple sources of data. Both issues are intrinsically demanded by leadership research, but also they imply certain risks at the time of analyzing findings and providing conclusions.
**Research methods applied.** The research has been implemented applying the generally accepted research methods in human resources development including interviews, surveys, content analysis, regressions, cluster analysis and experts’ evaluation methods. For the statistical analysis the author has used SPSS programme.

**Research period.** The research period is years 2005-2010, however some issues were studied over a shorter or longer periods. The author started to work in this research in 1999 when he joined the research team of IAE (Argentinean Business School). He started to analyze then the impact of crisis in companies, organizations and countries. Between 2004 and 2006, the author carried out the first survey in leadership among Latvian managers and undertook a large number of consultations with experts in the field. As a result, he wrote his MBA thesis. At the end of this research, he could define more appropriately the research problem and hypothesis for this dissertation. Between 2006 and 2010, the author carried out an extensive theoretical analysis, attended the Doctoral program at the University of Latvia, run the analysis of data from five surveys using SPSS, studied a case, executed projects in leadership and initiated his tenure as lecturer in the field.

**Description of literature and sources.** Author outlines below the most important considerations in regards of the research process of this thesis:

1) **Limitations of the use of empirical data in leadership:** Empirical data is so far extremely limited at the time of studying leadership. “There is no empirical test or validation that can help us answer prescriptive questions or questions that ask, ‘What should leaders do?’(Goethals and Sorensen). Therefore, interviews and reviews of literature are critical part of the methodology.

2) **Interdisciplinary approach:** The research on leadership should be characterized by an interdisciplinary approach. Those working on the academic field of leadership are perfectly aware of this challenge. Leadership is above everything an interdisciplinary field. We might hardly develop any coherent discourse on leadership without the support of psychological, sociological and philosophical knowledge.

3) **Connection with bottom-line performance:** “Explicitly or implicitly, economics is the primary organizational driver behind HRD [Human Resources Development]” (Allen et al.) The people in the public sector and business care particularly for the financial performance of their organizations and companies. “Probably one of the most discussed topics in HRD [Human Resources Development] research over the past years has been how to prove the impact of HRD [Human Resources Development] on individual and organizational outcomes.”(Swanson) As a result, the author looked for research that connects this field with corporate financial and operational
performance and introduced this relationship in the discussion on the model.

4) Theoretical background: In regards of the theoretical background of the dissertation, the author has taken as starting point the work of the Group for General Theory of Leadership from the Jepson School of Leadership Studies at the University of Richmond (Goethals and Sorenson ed.). In this direction, he has based the discussion of his model and the theoretical background of the leader-follower relationship.

The scientific contribution by the author.
- the paper offers a model of leadership development for times of change, which gathers the main findings of his research and could be used in public and private organizations;
- the paper presents a new theoretical analysis on moral and crisis leadership;
- the impact of role model and system of values on leadership development has been studied and substantiated;
- a methodology for researching leadership skills inventory has been developed and tested.

Applicable contribution by the author. Four innovations have been designed within the promotion paper:
- Use of the dissertation’s findings for the creation of an EU curriculum for leadership skills. The author is involved in an EU project, namely MODES Project (Modernizing higher education through soft skills accreditation), where he is actively working as a researcher and consultant. The objective of the project is to create a European curriculum for leadership and innovation skills and the author is using his research findings for elaboration of the list of skills, for defining the skills and for consultations among stakeholders (companies, educational institutions and experts).
- Offer of leadership training services for public servants and business executives. The author has created a company, Elevator International, together with other consultants. The company is systematically offering leadership development programs based on the author’s research. Among its services, it is worth mentioning the following: the Leadership Executive Development Program, the Latvian Business Leadership Award, Coaching services, and conference Big Business Day.
- Leadership seminars and camps for young people. The author has been using his research findings for organizing several leadership seminars and camps for young people in Latvia, Lithuania, Argentina and Italy.
- Academic programs for Master and Bachelor levels: The author has prepared academic programs, based on his research, in human
resources management for the Master in Public Administration and the Bachelor in Tourism at the School of Business Administration Turiba. The programs have been accepted and been run successfully.

The promotion paper includes the following defendable theses:

1) Role models and system of values integrate the constituents for a model of leadership development in times of change. They allow the leaders to keep or improve the sources, attitudes and values of leadership during times of change.

2) Leadership, Team Building and Vision are the priorities in training for EU managers.

3) Coaching is becoming one of the most wanted methods for leadership training.

4) Business schools’ professors ought to review their teaching and research assumptions, shift their focus from the bottom line, and concentrate attention in ethical and corporate leadership issues.

Approbation. The results of the research have been introduced to a wide range of persons and institutions

- within the process of research 7 scientific articles in English have been prepared and published;
- research results have been also published in 2 monographs in Spanish, one MBA thesis at the SSE Riga and one book in Spanish;
- reports on the main contents of the dissertation have been delivered in 10 international and local conferences;
- in the study process the author has lectured courses in Master and Bachelor programs at School of Business Administration Turiba, delivered conferences to businessmen; supervised bachelor theses at Stockholm School of Economics in Riga; directed leadership educational events with non-profit organizations in Latvia, Argentina, Lithuania and Italy;
- by participating in the MODES project (Modernising higher Education through Soft skills accreditation - Project number – 504647-LLP-1-2009-IT-ERASMUS-ENWS) with universities and consultants from all European Union.
Main Propositions of the Promotion Paper

1. Theoretical analysis of leadership development for times of change

Leadership development has been receiving increasing attention in public administration academia. This trend is partly connected with the reforms that the public sector has experienced all over the world (Llorens and Battaglio) in terms of decentralization and modernization of structures and labour relations. Therefore, the public sector needed to start incorporating traditional private best practices and know-how in the management of governments and human resources. Among this the “private sector’s specific know-how”, public sector practitioners and academicians started to pay attention to the field of leadership, laying the stress on productivity, performance, motivation and other human resources indicators. There is an ongoing assimilation of private and public human resources professionals’ practice and knowledge, also in the area of leadership. Park and Rainey state that transformational leadership, the theoretical cornerstone of this dissertation, “will positively affect organizational variables such as job satisfaction, perceived performance, and quality of work directly and indirectly”. Transformational leaders embrace the skills, which public servants need for accomplishing results in the not any more stable public structures where informal or formal networks of structures and people have started to coexist and even take over the traditional function of the formal authorities. This coexistence and interaction of networks and bureaucracy is one of the fundamental reasons why public organizations have started to heavily demand the development of leadership skills (Eglene). In a context signed by networking and reforms, formal authority becomes incomplete, requiring the exercise of leadership attitudes as team building, risk taking, creativity, etc. Of course, leadership faces the challenges provided by the necessary rigid formal schemes of the public organizations. Essentially, leaders should learn to operate inside formal procedures at the time they use “less formal” practices as facilitation, negotiation, vision building, inspiration, etc.

Eglene et al. offered a number of hypotheses in connection with leadership skills - performance at the public sector, which should be included in the agenda for research in the field of public human resources. These hypotheses indicate the relevance of the following attributes of leaders: management skills, philosophy, communication skills, focus on people, charisma, and adaptation. These skills, according to the authors, would have influence on the legitimacy of the authority and networking success.

Although important, leadership as a topic is still lagging behind in the research agenda of public sector academicians. Perry, in a study on the trends of human resources public administration research, indicates than only 13% of
the papers published between 1979 and 2008 in three leading journals of the field have been devoted to leadership. He concludes that motivation and training and development are two of the five most important research topics ahead. Within training and development, Perry emphasized the importance of leadership given the “generational turnover in public organizations and the need to better understand executive development processes”.

It is very important to understand clearly what leadership means. The author would like to depart with what he considers the most complete and updated definition of Leadership. According to James McGregor Burns leadership is “an influence process, both visible and invisible, in a society inherited, constructed, and perceived as the interaction of persons in human (and inhuman) conditions of inequality – an interaction measured by ethical and moral values and by the degree of realization of intended, comprehensive and durable change.”

This definition (Goethals et al.) tells us that the key constituents in leadership are:

- leadership is a process of influence,
- leadership takes place within interaction and conditions of inequality,
- leadership is graded by values and the realization of intended change.

According to the group of scholars led by Burns to undertake a General Theory of Leadership these are the essential elements in leadership which should be considered in order to elaborate any theoretical framework: power, motivation, leader-follower relations, context, and values.

In the dissertation the author presents what he considers the essential elements of a model for leadership development in times of change. He considers that to a certain extent it agrees to the above mentioned definition and has continuity and influence from a certain range of theories. Of course, overall crisis or change leadership theories and transformational leadership account for the most important part on the intellectual maturation of this research. Overall, the assumption behind the whole research is that leadership occurs essentially in changing processes and that values and role models are fundamental factors for the development of leadership attitudes in times of change.

2. Empirical findings on leadership development

The objective of the empirical research and data analysis has been to test the theoretical conclusions over the different key topics of the author’s research: leadership skills inventory, crisis implications for leadership development, leadership training, role models and values. The author has used the data from the following surveys:

a- Survey among managers in Latvia. Number of respondents: 44. The author carried out the survey.
b- Center of Creative Leadership’s survey among managers in Europe (CCL survey). Number of respondents: 1666. The author analyzed the database.

c- Surveys run among teenagers in El Salvador and Peru. Number of respondents: 3259 and 3379 respectively. The author was consultant in the survey and he analyzed the database.

d- Survey among business schools from 47 countries. Number of respondents: 96. The author analyzed the database.

e- A case study of a training program in Spain. The author studied and prepared the case.

Some data could be considered subjective in the sense that they are mainly perceptions, opinions and viewpoints of respondents, but it does not mean that the findings loose reliability: qualitative research is the way to understand an “emergent reality” (Swanson) as is the one with which we are dealing in this dissertation. Some data are objective in the sense that they are either quantitative or precise data.

The author’s theoretical development of leadership phenomena impacted on the selection of the methodology and items under analysis. Qualitative and quantitative methods have been used, and this is characteristic of human resources development academia, not only of leadership. Besides, interdisciplinary and multicultural aspects have been considered.

The first survey explored the impact of transition in leadership development of Latvian senior managers. The survey was run using a tool designed by Center of Creative Leadership and it was complemented with personal interviews and other research projects’ data.

The second survey explored the same items using the same questionnaire that the previous one but on an EU scope and without complementary interviews.

The third and forth surveys investigated the relationships between role models and system of values with leadership skills development. Both studies have been done in cooperation with University of Navarra and Intermedia Consulting and have involved more than three thousand respondents.

The fifth survey was run by CEEMAN [Central and East European Management Development Association] on a global scale among business schools and displays results on management education and such key aspects of this thesis as ethics, corporate leadership and short-term perspective in managers’ education.

The author summarizes below some of the findings from the empirical and theoretical research:

1) Role models and system of values integrate the constituents for a model of leadership development in times of change. They allow the leaders to keep or improve these sources, attitudes and values of leadership during times of change.
2) Leadership behaviour is considered to be right only if leaders act according to a permanent core of values.

3) Leaders should be role models as such and in that way they become effective leaders.

4) More active presence of effective role models has a positive impact, although not necessarily significant, on performance and social skills.

5) People with the presence of effective role models tend to hold a more clear understanding of a scale of values.

6) People with the presence of effective role models tend to perform slightly better and to possess better social and ethical skills than those who lack them.

7) Managers mainly want to learn on the job with role models, although good role models are not always present at companies and organizations.

8) Leadership, Team Building and Vision are the priorities in training for EU managers.

9) Managers at organizations are happier if they like their jobs, if organizational interests are aligned with their personal interests, if organizations take care of their development and if they trust their bosses.

10) Coaching is becoming one of the most wanted methods for leadership training.

11) Management schools’ professors ought to review their teaching and research assumptions, shift their focus from the bottom line, and concentrate attention in ethical and corporate leadership issues.

12) A big deal of the competences developed at leadership training programs should be value-based according to the Leader100 case.

The quantitative findings of different surveys have been published and presented in journals and conferences, are gathered all together in the doctoral dissertation of the author accounting for 80 pages. Below here the author outlines in more detail a few of the most relevant findings, which have been determinant for the final design of the model. These results are drawn only from two of the above mentioned surveys (2.a and 2.b). The author splits these results in three categories: findings connected with inventory of leadership attitudes (table no. 1), findings related to factors affecting leadership attitudes (table no. 2) and findings on leadership learning (table no.3).

a) Inventory of leadership attitudes:

The author searched for results regarding the skills that the European managers consider they lack and those that they need to develop. The author analyzed the data with central tendency measures and frequencies. The
respondents did not make a ranking of skills themselves; they rated the likelihood to seek development in each skill. The author made the rankings from the average ratings and the frequency of the ratings\(^1\).

In Table 1 we could observe the rankings of the skills comparing Western Europe, Eastern Europe and Latvia. \textit{Leadership} stands at the top of the three rankings. Vision and \textit{Team Building} also account for similar results in the three regions.

<table>
<thead>
<tr>
<th>Question</th>
<th>Western Europe (63.4% of responses)</th>
<th>Eastern Europe (36.6% of responses)</th>
<th>Latvia (2.7% of responses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Areas chosen for training</td>
<td>• Leadership • Vision • Performance appraisal • Team building • Problem solving/decision making • Managing change • Strategic planning • Management skills • Communication skills • Skills training in their area of interest</td>
<td>• Leadership • International business • Vision • Performance appraisal • Team building • Problem solving/decision making • Public speaking • Time management • Quality/process improvement • Managing change</td>
<td>• Leadership • Managing change • Vision • Team building • Skills training in my field • Problem solving/decision making • Strategic planning • International business knowledge</td>
</tr>
</tbody>
</table>


b) Factors affecting leadership attitudes

In order to further proceed with the understanding of European managers leadership development needs, the author decided to run a two-cluster method analysis in order to confirm trends among the participants on those factors which, according to the theoretical background of the author’s research, positively or negatively affect their leadership capital and leadership processes: values and role models. The author identified the following variables as those,\(^2\)

---

\(^1\) The question was put as follows: \textit{Please, rate the likelihood that you would seek development in each of the following areas in the next year. The scale went from 1 to 5 (very likely to very unlikely). From the interviews the author observed that the respondents interpreted next year as short-term perspective.}

\(^2\) \textit{Leadership} in this ranking is defined as the characteristic that makes a manager foster trust, keep the people motivated and energize the organizations.
which explain the presence of values and role models in the database: *I am happy in my job / I believe that my organization will develop me as an employee / Upper management of my company clearly articulates its goals and priorities / I like my work / In my company, people get ahead because of how they perform / I trust my current boss / I trust my organization to keep its promises / I could happily stay with the organization for the rest of my working life / I would like to stay with my current boss for as long as I can / On the job, I am developing the skills I need for the future.* Two clusters of respondents have been identified with 512 (cluster no. 1) and 1056 (cluster no. 2) individuals each. 98 respondents were missing from the analysis. According to SPSS quality check, the cluster classification has been at normal standards of acceptance.

### Table 2

Clusters’ performance on different variables – Scale: 1 (strongly agree) to 5 (strongly disagree)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cluster 1 (67.3% of respondents)</th>
<th>Cluster 2 (32.7% of respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am happy in my job.</td>
<td>1.74</td>
<td>2.84</td>
</tr>
<tr>
<td>I believe that my organization will develop me as an employee</td>
<td>1.93</td>
<td>2.95</td>
</tr>
<tr>
<td>Upper management of my company clearly articulates its goals and priorities.</td>
<td>2.20</td>
<td>3.34</td>
</tr>
<tr>
<td>I like my work</td>
<td>1.50</td>
<td>2.38</td>
</tr>
<tr>
<td>In my company, people get ahead because of how they perform.</td>
<td>2.19</td>
<td>3.18</td>
</tr>
<tr>
<td>I trust my current boss.</td>
<td>1.78</td>
<td>2.82</td>
</tr>
<tr>
<td>I trust my organization to keep its promises.</td>
<td>2.04</td>
<td>3.03</td>
</tr>
<tr>
<td>I could happily stay with the organization for the rest of my working life.</td>
<td>2.28</td>
<td>3.40</td>
</tr>
<tr>
<td>I would like to stay with my current boss for as long as I can.</td>
<td>2.43</td>
<td>3.41</td>
</tr>
<tr>
<td>On the job, I am developing the skills I need for the future.</td>
<td>1.72</td>
<td>2.41</td>
</tr>
</tbody>
</table>

Source: Author according to Centre of Creative Leadership survey’s, 2006 data.

In Table 2 we could observe how both clusters differ from each other taking into account the *means* of the responses for each variable. The largest cluster, no. 1, differs from cluster no. 2 in the following respects: participants feel in average happier in their jobs, trust more that the organization is going to develop them as an employee, upper-management articulates better operations with organization’s objectives, like their work more, politics intervenes less in promotion, trust more in their boss and their organizations, feel more
comfortable at their current organizations and their bosses, and finally they feel they are developing the skills they need for the future.

c) Findings on leadership learning

Next the author wanted to identify which methods, conceptions and experiences could be indicated as appropriate for meeting training needs, particularly leadership. The respondents had to choose up to 5 methods from the list of 15 they would prefer to use to learn soft leadership skills. In Table 3 we can see the most elected methods. Clearly on the job learning was considered the most relevant. Also the managers were very cautious when it came to more “sophisticated” methods, such as e-learning, simulations by software and other computer based ones. They clearly prioritized those where they can interact, such as coaching, discussion groups, case studies and classroom instructions. Moreover, coaching, which is one of the most relevant widespread tools in leadership, is considered useful for career development according to most of the respondents. The table 3 displays this information with a comparison between Western Europe, Eastern Europe and Latvia. As it can be seen, there are not significant differences between western and eastern Europe.

Table 3

<table>
<thead>
<tr>
<th>Leadership training comparison in Western Europe, Eastern Europe and Latvia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Question</strong></td>
</tr>
<tr>
<td>It is important to learn on the job.</td>
</tr>
<tr>
<td>On the job, I am developing the skills I need for the future</td>
</tr>
</tbody>
</table>
| Methods for learning “soft skills”              | • On the job interaction  
• One-on-one coaching  
• Assessment and feedback  
• Peer interaction/feedback  
• Discussion groups | • Discussions in groups  
• On the job interaction  
• Case studies  
• One-on-one coaching |
| Having a mentor/coach is useful for career development. | 85% agree or strongly agree | 77.3% agree or strongly agree |

3. Model of leadership development for times of change

Besides the findings outlined in section 2, in order to find the key elements of a model for leadership development we should take into consideration four important parameters which come from literature.

1) Relevant models of leadership: Academia is still a long way ahead in building an integrated and complete model of leadership. For us transformational leadership plays a particular role. According to Rejar and Phillips the characteristics of the transformational leadership model are the following:
   a) Leadership is rooted in conflict and power.
   b) Leadership involves leader-follower interaction.
   c) Leadership is purposeful and causative.
   d) Leadership takes two forms according to its objectives. Transactional leadership implies simply an exchange of needs and transformational leadership implies the seeking of higher values as justice, liberty and equality. Therefore these values justify sacrifice on the part of followers and leaders.

2) Leadership as dynamic process: one of the most important conclusions of the General Theory of Leadership group was: “as the search for a general theory of leadership continues, that theory will require a definition of leadership in action”. The dynamic aspect is essential and indispensable on one hand, and obviously makes harder any attempt of framing.

3) Leadership is an interactional process: We might find the first precedent on the model of Gibb who developed in 60’s “an interactional theory stressing the interplay of the leader, the followers, the situation and the goal” (Rejar and Phillips). It is not possible to analyze leadership without understanding the interaction between leaders and context.

4) Leadership is an interdisciplinary field: One of the serious and also enriching challenges leadership faces for the development of theory is its interdisciplinary nature with all its benefits and drawbacks. Therefore any model of leadership should be able to reveal this facet.

Next the author introduces the model, describes its main characteristics and its differences from other leadership frameworks.

It is important to note that in this model the author assumes a substantial difference between managers and leaders, or in other words between leadership and formal power, which has serious implications in the approach and relevance of the issue. Actually, this should be the first step at the time of working on leadership (Renge). Nobody can expect to lead a company or a society without a minimum of managerial skills or knowledge in order to keep the organization on track, considering the three particular managerial processes identified by Kotter: planning and budgeting, organizing and staffing, and
controlling and solving. However the long-term perspective and the passion for the future dreamed are leaders’ properties. And only these assets could make the change and the adaptation to change happen.

Kotter explains that the required balance between leadership and management is related to the complexity of the organization and the amount of environmental change involved. Complexity is the single most important feature of our business day environment today. Given that a high dose of leadership and management in all the organizations is needed, meaning in simple terms an adequate balance between effective innovation (leadership) and ordering of the processes (management).

The Model of Leadership development for times of change has six elements or factors: leadership attitudes, a permanent core of values, role models and system of values, the challenges crisis creates, the origins of leadership attitudes, the interrelational and dynamic aspects of leadership. The author has drawn the model as it is exposed in Figure No. 1.

![Figure 1](image)

**Figure 1.** Model of leadership skills development for times of change

*Source: Author.*
The interpretation of the sketch is the following:

1) In the centre we find the leadership attitudes (Kotter) - establishing direction, aligning people, motivating and inspiring - as descriptive of the features of the leaders’ behaviour. In a way, these are the external manifestations of the leadership capital.

2) Leadership attitudes are the right ones only if they behave according to a permanent core of values. For expositive reasons and following Tim Morris we split all possible values in the four transcendental verities: truth, goodness, unity and beauty. On the one hand, values establish a baseline for the behaviour of the leaders. On the other hand, values operate as loudspeakers expanding the impact of the attitudes of the leaders.

3) The origins and development of leadership attitudes and core of values depend on four sources of leadership introduced by Kotter with the exception of social culture: social culture, corporate culture, childhood and heredity, and career experiences/training. These factors are the sources of the leadership attitudes and values of the leaders.

4) Crisis presents threats and opportunities of change to these sources, and therefore to the attitudes and values of leadership alike.

5) Role models and system of values: allow the leaders to keep or improve these sources, attitudes and values of leadership during individual/organizational crises and transitions.

6) The shape of the model tries to display the dynamic and interrelational aspects of the leadership processes.

The author summarizes in three points the novelty of the concept and findings introduced by the model exposed in Figure No. 1: the relevance assigned to change, a better understanding of the connection between power and leadership, and the place of values in leadership.

a) We have developed our argumentation from the assumption that leadership occurs during change processes. There is a lack of empirical and speculative analyses where change is rather seen as a constant factor in the context where leaders operate. This change in the approach is further more important than a mere theoretical disagreement. In plain English, it is not the same to be a leader in a context or organization existing in total uncertainty or to be a leader in a context or organization enjoying stability. Rejar and Phillips say that “a pivotal dimension of leadership remains unaddressed…while students of leadership have uniformly stressed the centrality of leader-follower interaction, very little of substance has been said about the nature or dynamics of that interaction.”

b) Power, a common element in most of the leadership models, has been excluded as a determinant factor for leading. Although, inequality is a necessary aspect of the relationship between leaders and followers,
power does not constitute “the ability to influence the behaviour of others” (Rejar and Phillips), rather it might just support the relationship or simply being one of its characteristics. The IDEAL model of Larry Stout is a precedent in this viewpoint.

c) As we see, values play a fundamental role in this model, could we skip them? There is almost no contemporary leadership scholar who does not accept the primordial role of values in leadership development. Tucker said we need to be neutral regarding values otherwise we could end up displacing from our study anti-values great leaders as Hitler and Stalin. The author’s understanding is that values are necessary instead, although non-sufficient, for the success of leading.
Main conclusions and proposals of the promotion paper

Conclusions

During the process of research, the author has been able to test the hypotheses and now he outlines his main conclusions:

1) The place of values, role models and self-awareness in leadership development in times of change. Values, self-awareness and role models occupy a central position in leadership development particularly in times of change. Therefore, leadership training is very much an individual undertaking, although not individualistic, in the sense that being aware of oneself and generating core values is very much a personal task. Coaching as a training method is one of the most suitable for helping managers in this assignment, and managers recognize it.

2) The inside-out focus. In leadership development it is crucial to understand that the most important focus is inside-out rather than outside-in (Polsfuss) Inside-out focus means that if we want stable leadership behaviour, we need to concentrate on softer and less visible issues like internal motivation, empathy, self-awareness and values rather than perks, rhetoric, expertise and self-interest.

3) The unknown field of leadership. Although leadership is highly demanded and studied, the author is convinced that leadership is still largely misunderstood. Many still identify leadership with a formal position of power and this misconception undermines the generation of initiatives for supporting the improvement of leadership skills at all levels.

4) Need of more leadership academia. Leadership is a demanding field; however it is also a stirring one. This conclusion comes from the interest generated in the research process, the findings and the discussions with experts and interviewees. Our society needs leaders who know how to make their organizations and teams survive in the present times with agility and solvency. The author meets executives from profit and non-profit organizations on a daily basis and has the evidence that leadership is still very much alive at theoretical debates. There are countless organizational tragedies which spring up from the lack of leadership in all its possible manifestations: ethical misbehaviours, lack of team building, short vision, narrow-minded management, deficiencies in authenticity, shortage of courage and other weaknesses of the sort. When lack of leadership in practice is apparent, there is no reason for considering that leadership academia is in excess. It rather means that we need a reorientation in leadership research and teaching, and deeper consideration of its key issues.
5) **An interdisciplinary approach.** A whole part of this dissertation is completely interdisciplinary and the reader might find himself encouraged many times to go to the very roots of leadership, of human nature after all. The author understands that the deeper we go, the simpler things will become, and the implications will get more practical and lasting. And an interdisciplinary approach should be used both in leadership research and training. Business schools and management education institutions should think about the extent to which they are also *universities* where the students could attain a broader range of knowledge experiences, i.e., literature, philosophy, and social sciences. We need business and government executives who are prepared to serve our nations, but we need them with solid and deep intellectual foundations, otherwise we limit their possibilities as creators of sustainable wealth. Sustainable wealth requires wisdom. Wisdom is an asset we can get only with a broad wealth of knowledge.

6) **Lack of vision among leaders in Latvia.** When the author talked to managers in Latvia, they affirmed their concern about the lack of leadership, vision, team building capabilities and managing change aptitudes. Of all of them the author is particularly worried about the lack of vision. Vision implies motivation, imagination and low risk aversion. And these are consequences of learning and leadership capital attributes.

7) **A call for role models.** There are common elements that always appear in the lives and career paths of leaders, two of them are: role models and vision. The author hopes that, along with the aging of Latvia’s first management generation after restoration of independence, more role model opportunities will appear for the young managers. In any event, the management education institutions could contribute somehow by promoting more personalized education.

8) **Challenges for the management education institutions.** If the author were asked now, “do you think the business education system can do something to improve the leadership behaviour of local managers?” his answer would undoubtedly be “yes”. First of all, public servants and executives should realize the relevance of this issue, and as this dissertation has pointed out, it is worthwhile emphasizing how the operational and financial performances are affected by the lack of leadership.
Proposals

1) **Implications for management education institutions:**

The author has no doubt that leadership is one of the fields with more practical impact. He sees that even though most of public servants and business people are acquainted with leadership topics, there is still a gap and it comes from a sort of superficial view on the concepts involved. The author understands that business schools and Universities have a great deal of the responsibility for this matter. The author summarizes below some concrete proposals for management education institutions:

1.a- The author has prepared an academic program for the course “Human Resources Management” at a Master in Public Administration making full use of this thesis’ contents, findings and conclusions.

1.b- Business schools and other institutions connected with leadership training should start analysing to what extent anthropology constitutes an essential part of their agenda, and also how far their leadership training is holistic and comprehensive. The author has experience in successful impact of training events where managers face knowledge, which goes beyond business subjects.

1.c- Self-knowledge and coaching as training tools should be spread in Eastern Europe.

1.d- Programs like Leader100 might be of great use in youth education. Social projects are important because they encourage leadership among young people. They might complement abundantly what formal instruction cannot deliver.

2) **Implications for management training:**

The proposals of implementation are addressed to the institutions and people involved in business education regarding alternatives of innovation (tackling the milestones of the career) and to the managers regarding the main issues discovered in relation to their training and development (understanding the main responsibility over training development). Finally, at the end of this section we offer a new suggestion for training leadership in transition contexts: project-based leadership.

2.a-Tackling the Milestones of the Career

Having understood the essence of leadership presented in this dissertation, the opinion of the author is that a leadership seminar is not the panacea of leadership training. To develop leadership means to develop managers as people, as human beings, and it takes more than a couple of days. In any event, serious programs could help greatly. The author suggests that special attention
should be paid to two particular “niches”, which conform to important stages in life when people generally have a stronger willingness to change, or when they have the desire to review their fundamental traits:

- **Young professionals** who have received their bachelor/master degree and should start a corporate career. They need help to adjust their knowledge to the reality of environments into which they are introduced. But foremost, they need special support to plan their careers, harmonize their professional and personal goals, and set a long-term vision. As an human resources manager stated during the interviews, young professionals lack maturity when they start their corporative life.

- **Senior executives**. There comes a stage in the career and life development when the managers need to recreate either themselves or their companies. In order to know themselves and to understand where they and their companies are, an essential insight is needed to set a vision for their future if they lack it or to alter the old one.

In these two stages of career/life it is particularly important to help people discover-invent-reinvent themselves. In this sense, the goal would be to try to make them discover which issues could trigger their motivation and their best efforts. From this point on, they can evaluate or redesign their professional and personal plans.

We could argue that career planning is part of the past. There exists no method which could guarantee building of a certain running-up in positions in post-industrial economy. We see that we need to focus on competences planning rather than career planning. These competences could allow the executives to move along their careers and be always ready for a change.

### 2.b Undertaking the Main Responsibility for the Development of Training

To improve their leadership attitudes and the leadership attitudes of the subordinates, the managers should be proactive and pursue learning services that not only offer practices and techniques, but also learning services which can help them think better how to solve problems.

Quite often executives do not know where they should look and what they should look for as learning solutions. Additionally, at least in Latvia, there is a lack of strong and long-lasting cooperative relationship with consultants and business schools that could help them to clarify and develop a long-term and consistent plan. As the author understands, the answer has two sides: many companies do not realize that the learning dilemma exists, and there are no local management education institutions which appear as integral learning providers and partners.

### 2.c Project-based learning

During 2009 the author participated in a project, namely *Learning from Peers*, sponsored by the European Commission on the dissemination of best practices in the management of e-Business in SME in all of Europe. The
success of this project, it has been a great learning experience for the author. Basically it was a way of getting acquainted with what it could turn out to become a key method for learning in times of change: project-based learning.

Project-based learning goes beyond the traditional management education method of case studies and its introduction in the development of leadership capabilities might be worth trying. Finalized projects offer an adequate ground for reflection on our behaviour in relationship with the different elements of the model for leadership development.

The moral of this discussion is straightforward: if we want leaders who comfortably manage themselves and their context in chaotic times, we have to equip them with the ability of reflection and improvement even in times of ambiguity. Project-based learning offers a suitable space for learning experiences because projects are available continuously to leaders and they offer the ingredients of any changing context.

3) Proposals for further study:

The author understands that this study is a continuation of many others and should be seen as a starting point for further research in leadership. The author wants to suggest some potential fields and issues:

3.a- Methodology for leadership research: for example, relationship between quantitative and qualitative techniques; application of interdisciplinary approaches; use of empirical data.

3.b- Development of adequate measures for quantifying soft skills and other human resource topics.

3.c- Improvement in the way leadership issues are systematized and diffused among practitioners and managers. It is clear that there is abundance of materials but still misunderstanding on its fundamentals exists.
Author’s publications on the subject of the promotion paper


10. Eduardo Fracchia, Claudio Rivera and Marcos José Dal Bianco. La economía argentina: evolución y perspectivas en un período de transició. IAE (Argentina) 1999. (EC-N-005-IA-1-s)

11. Publications in Dienes Bizness ziņu portāls.
Author’s reports on the results of the promotion paper in scientific conferences

1. Claudio Rivera and Reynaldo Rivera. Social Leadership in university. Conference at the international forum UNIV 2009 (Rome)