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AUTHORITARIAN MANAGEMENT VERSUS EMOTIONALLY INTELLIGENT LEADERSHIP

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CONTENTS

1 INTRODUCTION

1.1 Introduction of the subject and the research questions

In the beginning of this thesis, I am going to evaluate and assess the similarities and differences between the concepts of leadership and management. The findings are taken into consideration, as I continue to research, analyze and compare two different kinds of leadership and management styles: the authoritarian management style, through the "Management by perkele" – phenomenon, and the leading by example – style, from the emotional intelligence – point of view. Authoritarian managers are usually characterized as supervisors who tell employees what to do, expect complete obedience and do not believe in employee development (Bielous 1994). The expression, "Management by perkele", invented by Swedish, refers to a traditional Finnish authoritarian management style, generally seen being utilized and used by Finnish corporate directors (World Heritage Encyclopedia 2017).

Leaders who lead by example believe in leading both with their actions, as well as with their words. Leaders are expected to set an example for the employees to follow. (Newton 2017.) In their article, Salovey and Mayer (1990: 185) describe the concept of emotional intelligence as "a set of skills hypothesized to contribute to the accurate appraisal and expression of emotion in oneself and in others, the effective regulation of emotion in self and others, and the use of feelings to motivate, plan, and achieve in one's life."

In this study, these two different styles are first assessed and analyzed. Both styles are also compared to determine how they differ from one another. Based on the comparative analysis I am aiming to answer the following research questions:

1. Can either style be considered better or more productive than the other?

2. Is there a possibility to combine the two leadership and management styles?

1.2   The reasons behind the study

The main reason behind this Bachelor's thesis is my interest towards different leadership and management styles and what kind of an effect human behavior, characteristics and emotions can have on a leader's or a manager's performance. I have worked previously both as a supervisor and as a subordinate, and I have dealt with several supervisors who came from different backgrounds and had different manners when it came to being a leader or manager. Some of the supervisors were good leaders and possessed good human relationship skills, but may have lacked the skills when it came to handling managerial activities. On the contrary, some were good managers but possessed characteristics, which could have been considered authoritarian.

1.3   The research methods and the structure of the study

This study is a literature review and comparative analysis of the two managerial styles in question. I am planning to research different, both Finnish and English journal articles, researches and books concerning the subject.

The first chapter of the study is the introduction, where the subject of the study and the research questions are presented. In addition, the reasons behind conducting the study and the research methods are introduced as well. In the second chapter the similarities and differences between leadership and management are studied. The third chapter is an overview of the first managerial style to be researched, the authoritarian management style, the similar styles that are related to it and the connection to the "Management by perkele" – management style. The fourth chapter focuses on the concept of leading by example and its relationship and connection to the concept of emotional intelligence. The fifth chapter consists of a comparative analysis of the two different styles including the conclusions that have risen from conducting the study. The answers for the research questions are presented as well.

2   LEADERSHIP VERSUS MANAGEMENT

Throughout the years, ever since people have existed, there have been leaders, and there have been managers. The world does not work without them. People have to have someone to tell them what to do, or show them how to do it. Generally, the concepts of leader and manager, or leadership and management, have been perceived to mean the same thing. This is a common perception that most people have. There are theories where similar conclusions have been reached, but some theorists have found them to be both partly and widely inaccurate as well.

Kotter (2008) and Martínez (2014) argue strongly against the notion that leadership and management would mean the same. Lepojärvi (2009) also agrees with this, as he states that in different theories and literature concerning leadership and management, it is common to distinguish the concepts from each other. However, Kotter also notes, along with The Wall Street Journal (2016) that it is also important to acknowledge that to some extent they are intertwined as well and one does not necessarily work without the other.

One of the most renowned leadership and management theorists, Peter Drucker describes the concepts of leadership and management quite suitably: "Management is doing things right; leadership is doing the right things" (The Quotation Page 2015). In his article, Weathersby (1999) brings forth his perspective, as he states that management is more about controlling, setting objectives and achieving results through careful allocation of resources and planning. A more traditional view is provided by Fayol (2016), as he describes the functions of management. He perceives that managerial activities consist of planning, organizing, commanding, co − ordinating and controlling. Kotter (2008) also agrees with Fayol, but adds budgeting, staffing, problem solving and result monitoring to the management process as well.

When it comes to leadership, Weathersby (1999) describes it as the process of coming up with a vision for the organization's objective together with the help of employees, rather by encouraging and persuading than commanding them. Somewhat similarly, Kotter (2008) notes as well that leadership is about developing a direction and vision

which is communicated further to the employees and bringing them together by motivating and inspiring them, in order to achieve the objectives provided by the vision.

In his column Martínez (2014) describes that management is about "doing", and leadership, on the contrary, focuses on the person. According to him, management refers to the question "how can I get them to do what I want them to do" and is more about achieving results, but leadership, then again, is about the leader's own characteristics, attitudes and how he brings them forth or how he treats his subordinates.

Tschohl (2014) shares his thoughts about the differences between managers and leaders, as well as management and leadership. Managers are very task – oriented and their mission is to achieve results and objectives by following the guidelines that are appointed to them by upper level management. A manager commands his subordinates to follow the guidelines as well and closely supervises that the subordinates obey. It is also common that managers do not dare to deviate from the path that was appointed to them, and furthermore, they are rarely given the authority to do so. Naturally, this inflicts upon the employees, who are allowed to accomplish only the tasks appointed to them, and therefore lack the possibility of innovating and making decisions by themselves.

Leadership, or the concept of a leader, on the other hand, differs significantly from that of a manager. Being a leader is about the person, his personality and how he adapts to a situation. It is not a position, but more of a role. Leaders inspire and motivate employees, rather than command them. A leader merely directs subordinates into a certain direction, and thus gives them room to conduct themselves and accomplish the tasks. Leaders are visionaries, who enjoy innovating and encourage subordinates to do the same. Leaders are not afraid of changes, but rather accept them as challenges or opportunities. (Tschohl 2014.)

Based on the theories provided above and in my experience, leadership is about assuming a role of authority in a team or an organization. Leaders guide their team

towards their common objective and are responsible for the "bigger picture". A leader focuses on both the near and far future, when considering an organization's vision and strategy. It can be described as a mission, where the leader is in a supportive role and helps the employees to complete their tasks. A leader is a mentor, who also directs and designates the assignments to each of the team members. A leader does not micromanage, but remains in the background and is available whenever needed. Leaders care about their employees and encourage them to develop themselves and bring forth if they have any ideas or new innovations that might be beneficial when progressing to complete the mission.

Management, on the contrary, is about achieving goals, gaining results and completing the necessary assignments. Management can be said to be very concrete and tangible, its focus is on the facts and tasks at hand. Management focuses on the present, day – to – day activities of an organization, and in some parts, the near future, in the form of budgeting. A manager is responsible for achieving the objectives set by upper level management, and from a manager's point of view, the results are the only thing that matters. A manager does not believe in developing relationships with his subordinates or colleagues and is not fond of the idea of change or new innovations when it comes to operational activities.

There are a lot of differences between the concepts, but when it comes to similarities, they can be found in different situations and environments. It depends also on the person, his own characteristics, experience and position in an organization. In the military for instance, operational activities are very tangible and do not leave much room for improvisation. Mid and lower – level superiors are commonly referred to as leaders, even though their tasks and duties can be considered more those of a manager. Then again, in a business environment, a mid – level manager can be a good leader as well, even though his job may be to be responsible for only the day – to day operations.

3   AUTHORITARIAN MANAGEMENT

3.1   Authoritarian management and styles close to it

There are a lot of different management and leadership styles used in companies and organizations by different people, and authoritarian management is one of them. The management style itself is usually considered as an independent concept, but in order to evaluate it accurately, it is appropriate to examine the management style from a broader perspective. Within the concept, it is possible to recognize other different management styles, which are close to, or similar to authoritarian management. These management styles can be recognized as autocratic and directive. However, in order to understand these sub – styles better, it may be fitting to examine authoritarian management as a subject more closely.

3.1.1   The characteristics of an authoritarian manager

When it comes to managers, who are perceived as authoritarian, there are certain characteristics that can be found in them. One of the characteristics that can be recognized in an authoritarian manager is narcissism. Narcissists are known to be authoritarian and manipulative in their use of power and they often treat other people as objects and tools only to reach their own objectives (Howell& Avolio 1992, O'Connor et al., 1995 via Pynnönen 2015).

In their article, Grijalva and Harms (2014) explain the concept of narcissistic personality disorder. Narcissists are highly self – absorbed, believe that they are special and above everyone else, and more important than any other. A narcissist is usually extremely sensitive to criticism and lacks empathy.

Narcissistic, authoritarian managers do not care about what their employees' opinions are and believe, that their way is the only way. Authoritarian managers expect their subordinates to obey without question and do not tolerate any kind of criticism concerning themselves. They do not trust their employees to know how to do their jobs correctly, and therefore are constantly willing to show how it should be done in their

opinion. A work environment where a narcissistic person acts as a manager can be very demanding and frustrating to employees. They have to work in a constant state of nervousness and uncertainty and be on their toes at all times. As Bittner (2017) also states, authoritarian managers usually tend to assume control of an operation, even if the employees would have the best expertise and skills. In the mind of an authoritarian manager, he considers himself to be the only one with enough expertise. He considers the employees only as workforce, who are expected to do everything the manager commands.

Rämö (2015) describes different characteristics that are generally found in narcissistic managers. A narcissistic manager is known to build and develop his relationships upwards, towards his own supervisors. He does not care about building his relationship with his subordinates. In fact, when a narcissistic manager joins an organization, the first thing he does, is to try to "smoke out" the best and the most experienced employees, since he feels threatened. He tries to build a group that consists of employees who only conform with him. He considers himself above anyone else, praises himself, but criticizes his subordinates to his supervisors. A narcissistic manager, in his own opinion, does everything right and never makes mistakes. In fact, whenever he makes mistakes, he blames his subordinates for them. He even places himself above the values and guidelines, that are set by the company's executive board. He perceives that the values and rules do not apply with him.

3.1.2   The characteristics of an autocratic manager

In his article Gill (2014) refers to the term "autocratic leadership", but he also considers that it is commonly referred or linked to authoritarian management as well, since there are a lot of similarities between the two management styles. He clarifies the term "autocratic" and separates it into two Greek words: "auto", which means "self", and "cratic", which means "rule". Consequently, the words bring to mind a person who assumes authority only to himself and rules by himself. In addition, he describes the characteristics of an autocratic manager with an applicable sentence: "My way or the highway". (Gill 2014.) Also, as it is defined by The Economic times (2017), an autocratic manager wants to be in control of all the decisions, and does not

care of the opinions of others. Autocratic managers are commonly considered as dictators.

Throughout the history there have been managers and leaders who have been considered autocratic. There are both good and bad examples. The most renowned were most likely Adolph Hitler, Joseph Stalin and Henry Ford. The roles and actions of Hitler and Stalin can be considered questionable and they were perceived as tyrants. Then again, Henry Ford practically invented modern – day car production. He was, however, the perfect example of an autocratic leader, who expected complete obedience from his employees and considered them only as workforce. (Gill 2014.)

3.1.3   The characteristics of a directive manager

The third management style, that is also often linked to authoritarian management, is the directive management style, which according to Cardinal, (2017) is known also as the coercive style. A directive manager expects employees to complete a task only the way that the manager has shown them. A directive manager also tends to control his subordinates very closely, which can, in fact, be very tangent to micromanaging. A manager who is perceived to use this style mostly motivates his employees by fear, threats and strict discipline. A directive management style is very ineffective when employees are underdeveloped. Learning anything new becomes very challenging. Also, on the contrary, the style is powerless when the employees are very experienced and know what they are doing. Constant micromanaging and controlling leads to frustration and poor performance. However, in some cases, there is also a place for directive management. For instance, in case of a crisis when swift action and decision – making is needed.

3.2   The concept of "Management by perkele"

3.2.1   The definition of the concept and its origin

"Management by perkele" is a concept which originates from when Swedish and Finnish corporate directors held business negotiations. The management styles of both

cultures' directors were usually quite different. Swedish directors were known to be more in favor of consensus decision – making. They believed in making decisions only after careful planning and long conversations and negotiations. (World Heritage Encyclopedia 2017.) There is also a common view of the Swedish management style, where endless conversation marathons are trying to result in decisions that would be favorable to all parties (Rönkkö 2013). The Swedish approach to negotiations was problematic to the Finnish directors, who preferred more action and less negotiating. The Finnish corporate director, in his impatience, yelled the word "perkele", which is an old Finnish curse word, in order to expedite the negotiations and in his hope to finally reach some kind of a conclusion to the meeting. (World Heritage Encyclopedia 2017.) Usually, this style can be seen in managers whose management is based on quick, inconsiderate decisions, and who can be considered being somewhat dictatorial. Fear and threatening are widely used as motivators. To managers of this style, the results are the only thing that matters. In addition, managers of this type usually do not listen to their employees or take into account their employees' opinions or thoughts.

In addition to the concept's origin, it has also been widely utilized to depict the managerial practices and styles used by the Finnish military superiors. In the Finnish military, the authority of a superior is never to be questioned. The subordinates are not allowed to express their own opinions. If a subordinate questions the superior's orders, the threat of disciplinary action will be indicated. These disciplinary practices may have derived from old Prussian traditions, where quick decisions, strict codes of conduct and complete obedience were considered somewhat virtues. Prussian leaders were strong believers of leading (or management) by fear. (World Heritage Encyclopedia 2017.)

Management by fear can often be recognized in organizations, where strong hierarchy and asymmetrical power relations are in effect. Managers, who lead by fear, are perceived to use their authority incorrectly. In order to maximize employees' performance at work, the managers may often use threatening or extortion as tools, usually in the form of a possibility for the employee to lose his job. This kind of behavior is usually conscious and goal – directed, strategically and tactically

deliberate, and in search of short – term benefits. Fear can also be used as a tool for collective control in the form of threatening with mass layoffs. (Pynnönen 2015.) A manager who leads by fear can have a significantly negative influence on a work community. Extortion or threatening are more likely the cause of poor, rather than good work performance or results. Working in a constant state of fear can be extremely stressful to employees. Fear might motivate an employee to focus on not making mistakes at first, but eventually, as the stress level of the employee increases, he is more likely to start making mistakes.

3.2.2 The possible benefits of the management style

There are a lot of negative aspects and opinions when it comes to "managing by perkele". However, sometimes this type of management style can in fact, turn out to be beneficial and productive. It is occasionally a matter of perspective and it depends on the manager, how he adapts and utilizes the management style. As Vuorio (2009) describes, the management style has often been considered as harsh, bullying – style commanding, but there is also another aspect to it. The use of the profanity "perkele", can also be harnessed to be used with a more positive and motivating attitude, such as: "Perkele, now we are going to do this", or "Perkele, we can definitely do this".

Even though the concept is mostly in conjunction with the terms "management" and "manager", it can be linked to "leadership" and "leader" as well. In her blog, Heino (2016) refers to a Finnish World War II – general, Einar Vihma, as an example of a "Management by perkele" – type leader. He was seen as an excellent leader, who utilized the "Perkele" – attitude in a positive way when it came to leading troops. He was a leader who did not hide in his command post, but led from the front lines, even though he was a general. He was known not to spare the use of the word "perkele", but he was also known for his leadership skills and how he inspired and motivated his fighters.

While "managing by perkele" is harsh and cruel in most cases, I would argue that there might occasionally be a need for it. In various work environments, I have seen employees being lazy and were not getting matters done. Therefore, a manager has to

be able to give the employees a "kick in the butt". Threatening with layoffs is not necessarily the way to motivate, but to remind them that it still is their duty to complete the tasks given to them. There might be a situation where a deadline for completing a task is getting close, in which case a manager must be able to act. Therefore, swift decisions and action may be needed. This applies especially in the military. If a soldier does not do as he is told, in an extreme case, someone's life may be at risk. It is the reason why complete obedience is expected of the soldiers. Sometimes expressing the issue more powerfully may be the only way to get the disobedient person to understand. In his article, Vuorio (2009) introduces the term "conscious situational management". If a manager is able to combine the "management by perkele" – style with a "Yes we can" – attitude, it can be a powerful method. However, the manager needs to be sure to use it only when the situation needs it.

3.2.3 Renowned "Management by perkele" – managers and leaders

Based on research results above, I could argue that "Management by perkele" can be connected widely to authoritarian management. There have always been authoritarian leaders and managers, which means, that to some extent, "Management by perkele" will always remain alive and be present in different organizations and companies. Also, even though the style is generally connected to Finnish organization leaders and managers, with the link to authoritarian management, it can be recognized in leaders and managers in other countries as well.

There are numerous examples of managers all over the world, who can be perceived to use the "Management by perkele" – approach to management. The founder of the Linux computer operating system, Linus Torvalds, as Rönkkö (2013) evaluates, may be the most renowned example abroad, who is perceived to use the management style. Rönkkö (2013) also states, that in Torvalds' opinion, excessive discretion and diplomacy would debilitate the development work of Linux.

Another example of a Finnish, authoritarian "Management by perkele" – type of leader is the former chief executive officer and general director of Nokia, Jorma Ollila. He was seen as an aggressive and loudmouthed leader, who was feared and avoided by

his subordinates. His subordinates got to experience his aggressiveness and shouting behavior immediately as he obtained the position of chief executive officer. However, Ollila was also said to be extremely determined and disciplined, and that he was seen to possess more substance know – how than many other large company directors. Even though Ollila was seen as a very authoritarian and demanding leader, his results speak for themselves and Nokia is a perfect example of a company which was raised from the gutter by a skillful leader. (Boxberg 2016.)

A suitable example of a foreign who could have been categorized as an authoritarian, "Management by perkele" – type of manager, was the co – founder of Apple, Steve Jobs. In their article, Kutsar, Ghose and Kutsar (2014) describe Jobs as a leader, who only cared about performance and results and was not known for his human relations skills. Jobs was known to use an authoritarian management style, where he alone decided on the strategy. He believed in tight control and expected perfect results from his subordinates. He was known to be foulmouthed and to use profanities to amplify his message. He was also perceived as a perfectionist and obsessive. He did not care if he hurt someone's feelings, and if someone did not agree with him, they were often dismissed on the spot.

However, despite his negative characteristics and inabilities when it came to relationships, his skills as a strategic thinker and visionary were exemplary. He was responsible for the growth of Apple and its success in the technology industry. He was known for his extraordinary courage and determination to follow through on his ideas, which mostly resulted in being successful. He is also remembered as an excellent and motivating speaker, who knew how to get the attention of the crowd. (Kutsar et al. 2014.)

3.2.4   "Management by perkele" in today's world

The variety of different leadership and management styles used by leaders and managers both in Finland and other countries is quite extensive. "Management by perkele" can still be considered as one of them, even though it may have not been a common subject of discussion lately. In Finland, it is visible especially in organizations

which are led by leaders (Jorma Ollila for instance) who can be considered to belong to the senior generation of leaders.

During and after the second world war in Finland, up until the mid-20th century, the Finnish management style was said to be based on the leadership and management doctrines of Frederick Taylor's scientific management theory, as well as the military management doctrines and principles of the Finnish Defense forces (Silén 2006: 13, Seeck 2008: 18 via Seeck 2011). As it was mentioned earlier in this study as well, authoritarian and autocratic management doctrines were highly valued in the military. These doctrines have been transferred through their parents to the senior generation organization leaders mentioned above. They graduated as non – commissioned officers or reserve officers, when they had to accomplish their military service. Some of them assimilated these doctrines and since then have used them throughout their careers. Naturally, it depended on the individual's personal characteristics how the doctrines affected their leadership skills and habits. Some became very authoritarian while some assumed a more human relations approach to management.

During my period of service in the Finnish defense forces, I learned that discipline and unconditional obedience are some of the most important cornerstones when it comes to operational functions. Strong leadership and leadership doctrines played a significant role when new recruits were trained and in transforming them into effective soldiers. Even though the traditional, authoritarian leadership doctrines have been replaced with new, more human relations – oriented ones, authoritarian management can still be seen to be used in the military by some leaders, both staff and conscript, who either refuse to let go of the traditional leadership habits, or are authoritarian by nature. Mostly they consist of a handful of young conscripts, who have just been given some authority, and thus, try to express and show it to their subordinates. They can be considered authoritarian, "Management by perkele" – type leaders, who seem to think that yelling and using profanities gets the job done. The earlier, authoritarian military leadership doctrines and values have had a strong impact on how some managers and leaders conduct themselves in front of their subordinates, even in organizations and companies nowadays. Therefore, as it was stated above as well, as long as there are authoritarian leaders and managers, "Management by perkele" will continue to exist.

4   LEADING BY EXAMPLE AND EMOTIONAL INTELLIGENCE

4.1   The concept of" Leading by example"

Based on encountering and observing numerous leaders throughout my career, I would argue that leadership is about interaction between the leader and his followers. A leader defines the organization's or company's strategic objectives either alone, or together with a board of directors or with a team. A leader presents these objectives to his followers and trusts them with the responsibility to accomplish the goals. A good leader is confident, honest and has the skills to maintain a balance in being both demanding and just to his followers. A good leader also knows to recruit adequate and suitable followers to his team, and in addition, rewards them when they perform well. In order to accomplish the objectives, a good leader does not necessarily have to command but to somehow induce the followers. But how to get the followers to do what the leader wants them to do, by not commanding them? The answer is to "lead by example".

In her article, Martinuzzi (2016) describes different examples of supervisors, who practice a leadership style where they expect subordinates to obey and act in a certain way, but the supervisors themselves do the complete opposite. When this kind of behavior is noticed by subordinates, they will most likely feel betrayed, and will not want to contribute to the shared values and mission of the company anymore. According to Martinuzzi, this is a perfect example of poor leadership.

Good leadership, however, is about assuming responsibility for the team and its actions. Leading by example, at its simplest means, that the leader of the team shows other team members how to accomplish a certain task by doing it himself at first. (Martinuzzi 2016.) However, this does not necessarily apply to just certain operational activities, but also on how the leader acts and carries himself, and how his behavior impacts the organization culture and atmosphere. In fact, as Newton (2017) describes, a leader can even have an effect on what kind of clothing employees in an organization might choose, just by dressing up in a certain manner. Followers observe the leader and his behavior, and are often influenced by it.

I would agree with Martinuzzi and Newton that a leader influences and inspires those around him, and by his own actions and showing example, he gets subordinates to follow him. Also, in order to achieve this, the leader must be confident, believe in the shared vision and be able to encourage followers to do the same. Above all, the most important factor in the process is mutual trust. If the followers do not trust the leader, morale will weaken and thus lead to poor results. It is also a matter of respect. If a leader does not value other team members' efforts and contribution towards the common objective, and criticizes their actions constantly, the leader will not be respected, and therefore, followed. Respect, and moreover, leadership, is earned. It cannot be given or taken. It is also a common belief and perception that leaders are born and leadership cannot be learned. While it is true that some people are born leaders and are able to assume authority very easily, to some extent it is also possible to learn to become a leader. Anyone can learn theoretical leadership skills at school and leadership seminars, but growing up to be a leader takes time and requires experience.

4.2   The concept of "emotional intelligence"

Traditionally, in organizations and companies around the world, one of the most valued characteristic recognized in an employee or a leader have been perceived to be intellectual intelligence, also commonly known as IQ. Intelligent people usually succeed in working life and are often promoted to supervisory positions. However, being intelligent in a traditional sense does not necessarily mean that a person is able to provide or achieve results within a sales team for instance, or let alone get along with the other team members. Intelligence is not the only driving force on how people behave. In fact, we are mainly driven by our emotions and feelings, and these emotions dictate how we act and behave around each other. In order to be successful as a human being and as a person, it is important to be able to recognize, develop and manage one's own emotions. This is when emotional intelligence comes into question.

The psychological theory, "emotional intelligence" or "EI", was originally developed and introduced in 1990 by Peter Salovey and John D. Mayer. An emotionally intelligent person is able to recognize and monitor his own feelings and emotions and

has the skill to distinguish them from each other. Therefore, he is able to use these skills to better understand his own actions, thinking, and other people's behavior as well and respond to it appropriately. (Salovey & Mayer 1990.)

The concept of emotional intelligence was made famous by Daniel Goleman. According to Goleman (2000: 6), emotional intelligence, simplified, means the "ability to manage ourselves and our relationships effectively". The concept comprises of four core capabilities, which are self – awareness, self – management, social awareness and social skill, often referred to as relationship management as well. Each of the four skills include different competences. The first one, self – awareness, includes the concepts "emotional self – awareness", "accurate self – assessment" and "self – confidence". These attributes explain, how one is able to acknowledge and understand his emotions and have a realistic sense of his capabilities. The second one, self – management, includes "self – control", "trustworthiness", "conscientiousness", "adaptability", "achievement orientation" and "initiative". In short, through understanding these features one should be able to better manage and control his emotions. The third one, social awareness, consists of "empathy", "organizational awareness" and "service orientation". They are about understanding other people's emotions and taking them into consideration, for instance within an organization and other stakeholders as well. The last one is social skill. It includes competences such as "visionary leadership", "influence", "developing others", "communication", "change catalyst", "conflict management", "building bonds" and "teamwork and collaboration". These competences depict, how a person is able to utilize his emotions positively in social situations with different people and in different environments.

Bradberry (2017) describes emotional intelligence somewhat similarly as Goleman did. He divides EI into personal competence and social competence. Personal competence, in more detail, focuses on the individual and includes the self – awareness competence and the self – management competence. When it comes to social competence, the social awareness skill provides a person with the capability to comprehend other people's behavior, moods and emotions. The last competence, relationship management, provides a person the skills to interact with different people by utilizing his self – awareness of his emotions.

Based on Goleman's and Bradberry's observations, it could be noted that emotionally intelligent and socially talented people are more able to cope with different situations and environments. They can also be better at maintaining good relationships with other people, since it is easier for them to understand other people's emotions and moods, and therefore adjust their own behavior. There is a quote by Aristotle, which can be brought forth when considering emotional intelligence: "Anybody can become angry – that is easy, but to be angry with the right person and to the right degree and at the right time and for the right purpose, and in the right way – that is not within everybody's power and it is not easy" (Brainyquote 2017). The quote can be translated that some people are born with more emotional intelligence than others, but it can be learned as well. Humans deal with their feelings and emotions in different ways, and to some extent, it is up to the person himself, how he chooses to understand, control and manage these emotions in order to develop himself as a human being.

4.3 Emotionally intelligent leadership

Leaders in present day organizations and companies are not machines. Leaders are human and each of them have different kinds of personalities with different characteristics. They have to bear with significant amounts of responsibility and face problems and critique each day. Occasionally the stress might be overwhelming and it might be directed accidentally at subordinates, which can be considered questionable. A modern day – leader should be able to monitor and control his own feelings and emotions. There is a suitable quote in this regard by Peter Drucker, who stated: "You cannot manage other people unless you have learned to manage yourself" (Drucker 2007). Leadership is all about influencing and inspiring employees to accomplish common objectives. Human relationship skills play a significant role and these skills are emphasized even more, when motivating employees. In order to be an effective leader, it is essential for one to be aware of his own strengths and weaknesses when it comes to handling and managing his own emotions. One can learn to be a better leader by focusing on his emotional intelligence skills and by seeking to develop them.

Emotionally intelligent leadership is not about being too soft or letting emotions take full control. It is a process of interacting with and inducing employees for the purpose

of reaching common objectives. Emotionally intelligent leaders are able to produce a positive atmosphere within a work environment by sharing their emotional state. Effective emotionally intelligent leadership requires strong emotional intelligence skills. A skilled leader cannot perform well without these skills and this reflects further on to the employees' and teams' performance. The process of becoming a better emotionally intelligent leader begins with becoming self – aware of oneself, as well as one's strengths and weaknesses. By recognizing the emotions that might cause a leader to react negatively to something, could help him to preemptively adjust his reaction. This is linked to the next step, self – management, which provides the leader the means to understand, and therefore, control his emotions. The performance of a team is also highly dependable on the leader's own motivation. A leader must be able to motivate himself to reach for better results, which then reflects on the employees' motivation. The ability to be emphatic is one of the key attributes in emotionally intelligent leadership, and it is included in the social awareness competence. A leader must be able to understand his subordinates' emotions and learn to be supportive, whenever needed. By understanding the feelings and emotions of his employees, a leader is more able to effectively adjust his own behavior. A leader who recognizes his own emotions and is able to control them, understands the emotions of others, is much more qualified to manage relationships and adapt to different social situations. (Lehtinen 2016)

5   CONCLUSIONS

The objective of this thesis was to research and analyze two different leadership and management styles, compare them through two phenomena and to answer two research questions. The first management style, authoritarian management was investigated through the "Management by perkele" – phenomenon. In the second analysis, the leading by example – leadership style was associated with the concept of emotional intelligence, therefore studying the emotionally intelligent leadership – phenomenon.

In the beginning of this thesis the differences and similarities between leadership and management were studied. The concepts of leadership and management, as well as leader and manager, were examined for clarification, since occasionally the concepts can be mixed up with each other. In this study, the concepts were mainly distinguished from each other, but in some cases, they were connected as well.

5.1   Comparative analysis

The most visible difference between the authoritarian, "Management by perkele"- type of management style and emotionally intelligent leadership is that authoritarian management focuses on task and objective management, with achieving results being the only incentive, while emotionally intelligent leadership is about leading people and reaching the objectives through developing human relationship skills and by motivating and inspiring employees. Generally, authoritarian managers are known to be aggressive and narcissistic by nature and do not care about their subordinates' feelings and emotions. They do not believe in developing themselves in order to be better leaders. Emotionally intelligent leaders however, take time to develop themselves emotionally and attempt to learn to manage and control their emotions. Through their self – development and improved emotional self – management, they are more capable of setting an example in a work environment, thus being inspiring. An emotionally intelligent leader can have a significant impact on a team's motivation and morale, thereby improving its performance. Authoritarian managers however, with their self – absorbed characteristics, most likely decrease morale within a team, which may eventually lead to poor performance. Authoritarian managers tend to create

a depressing atmosphere, where fear and discomfort among subordinates are common emotions. The managers believe that commanding and giving orders is their job, rather than inspiring and motivating their employees to accomplish objectives. In an environment controlled by an authoritarian manager, creativity and innovativity are not virtues, thereby preventing employees to develop themselves professionally.

5.2   The research questions

Based on the results of the analyses, two research questions were attempted to be answered.

1. Can either style be considered better or more productive than the other?

There are differing views on both styles, but based on the research and analysis, it would seem, that in today's organizations emotionally intelligent leadership may be more productive when it concerns accomplishing objectives and gaining results. Goleman (2014) has conducted a research in a certain manufacturing company where he studied the connection between strong leadership and emotional intelligence. From the data that he was able to gather, he learned that approximately 80 – 90 percent of the abilities the leaders in the company possess, are based on emotional intelligence competences. Møller (2012) also corroborates with Goleman's findings and emphasizes that strong emotionally intelligent leadership skills provide substantial results when it comes to the performance of a team, and moreover the performance of an organization.

Emotionally intelligent leadership can in fact be considered more effective than authoritarian management. Subordinates do not trust a supervisor who uses fear and intimidation as a management tool. They believe in a more open work environment and atmosphere, where the leader of the team is able to take into consideration the other team members' emotions and considers their opinions, ideas and even new innovations as well.

2. Is there a possibility to combine the two leadership and management styles?

Authoritarian management and "Management by perkele" can be associated partly with the leading by example – style, but combining it with emotionally intelligent leadership could be challenging. Emotional intelligence skills can be developed, but an authoritarian manager needs to willing for the change. As mentioned above in the analysis, some authoritarian managers can in fact be leaders as well. This applies especially in the military, where some individuals can turn out to be excellent and charismatic leaders, who lead by example, but still assume certain authoritarian characteristics. In a business environment, an authoritarian manager can attempt to assume the "Management by perkele" – attitude in a positive way. He may succeed by being motivative and expressing his enthusiasm by saying for instance "Perkele, we can do this", and thereby transferring that enthusiasm to his employees.

5.3   Limitations and future research possibilities

During the implementation of the research there were minor limitations and restrictions. It was imperative to clarify the distinction between leadership and management, as well as leader and manager, since the concepts are somewhat similar. In addition, finding empirical research material regarding the concept of "Management by perkele" proved to be challenging, since there are not that many studies made concerning the subject. Some of the studies were inadmissible as well, since they were theses.

Based on the comparative analysis, both leadership and management styles could be studied more, for instance in the form of a qualitative study. Leaders and managers representing the styles could be interviewed in order to find out how they perceive themselves as leaders and managers, and whether there are any areas of development. In addition, their team members and subordinates could be interviewed as well to learn their point of view on whether their supervisor is an emotionally intelligent leader or an authoritarian manager. The study could be conducted in both domestic and foreign organizations and companies, which would represent different industries from different cultures, in order to gain an encompassing sample and result.

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