

FLEXIBILITY AND EFFICIENCY IN THE APPLIED MANAGEMENT STYLE ON THE EXAMPLE OF MANAGERS IN THE BANKING SECTOR

Introduction

Looking at the functioning of enterprises in the current conditions, it can be stated that due to the availability of resources (technology, capital), which have ceased to be the factors differentiating the majority of organizations, there is a need to search for alternative sources of competitive advantage, such as the internal ability to change resources in real time [Prahaland, Krishnan, 2001: 15–27]. In this context, flexibility becomes one of the managers' key competences. The skillful allocation and use of organizational resources, including human resources, depends not only on the efficient functioning of the enterprise, but also on gaining a competitive advantage. While one can find the literature stressing the importance of flexibility in applying the management style, it is problematic to combine it with efficiency. Therefore, the aim of this article is to analyze the flexible selection of the management style by managers and to connect it with efficiency in the applied management style.

1. Flexibility in the context of managing people¹

The very term of flexibility, although widely used in the context of human capital, is not clearly defined. There are two definitions of flexibility in English: *flexibility* and

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¹ This article assumes that people management is a sub-function of human resource management.

elasticity. The first one is used in connection with work, employment, enterprise, while the second applies to demand and supply [Peper et al., 2005: 123, 143, 302–322]. The author of this article, due to the range of the idea, will not deal with the concept of *elasticity*.

According to R.C. Pathak flexibility is the ability to change and react, with an optimal amount of time, effort, cost and productivity [Pathak, 2005: 59–69]. In management sciences, flexibility is considered to depend on the purpose of the analysis and the specificity of the problem. However, as M. Majewska and S. Samol state, most of the methods of capturing flexibility in management theory refer to its commonly accepted definition, according to which flexibility is the ability of a given unit to accommodate or adapt to changes occurring in its environment in a relatively short time, which allows it to survive in this environment. This requires adjusting the goals of an entity, and later its activities, to the situation existing in its environment, which in turn determines its development [Majewska, Samol, 2016: 11]. In turn, the flexibility in the context of organization and management defined by S. Ketkar and P.K. Sett is the dynamic ability of the organization and the management systems used in it to carry out changes in routines and adapt them to new needs in the expected time [Ketkar, Sett, 2010: 1173–1206].

As M. Król describes, in the context of human capital, the category of flexibility is referred, among others, to [Król, 2014: 14]:

- the labor market (flexibility of the labor market),
- work (flexibility of work),
- employment (flexibility of employment),
- human resources (flexibility of human resources),
- human capital management.

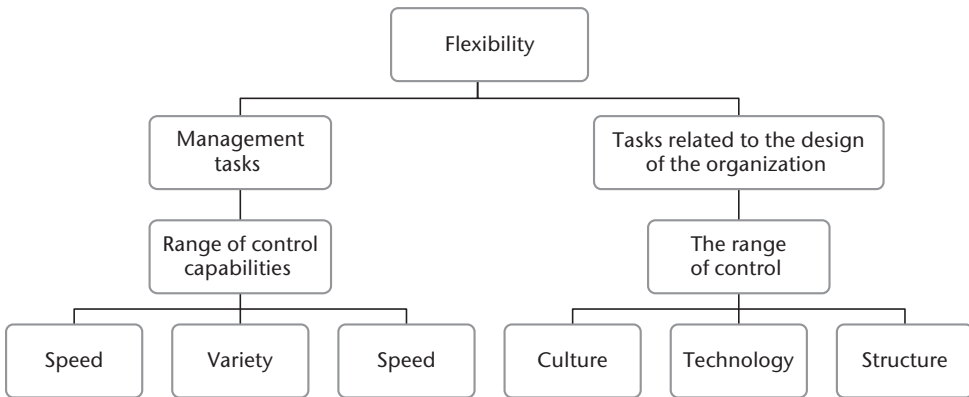
Flexible human resource management according to M. Juchnowicz, is a key competence (ability, skill) to the strategic adaptability of this capital (I use the term human capital). Moreover, author thinks that in this approach, flexible human resource management can be analyzed as a process or element of the organization's management system [Juchnowicz, Wojtczuk-Turek, 2007: 53–55]. As a process, it means an agreement between human resources occurring in the organization and rough external environment. In the second case, it refers to modifications in the implemented procedures, human resource management tools, in other words to individual personnel functions (recruitment, selection, motivation, development, evaluation, management, etc.).

The importance of flexibility is also noted by D. Guest. He emphasizes that in the case of human resources, the strategic goal in managing them should be striving for flexibility. Moreover, D. Guest emphasizes that organizations characterized by functional flexibility of human resources are generally enterprises with qualified staff who cooperate with each other in the performance of various works. The condition for obtaining this type of functional flexibility is a well-shaped motivating system

that fosters the development of cooperation and trust between employees in the organization [Guest, 1997: 263–276].

In another approach, flexibility is defined as a two-dimensional concept, comprising firstly management tasks that determine the extent of control over the environment, secondly, determinants describing the scope of control of the organization and its environment, i.e., readiness to respond to changes [Leeuw, Volberda, 1996: 121–139]. The model of flexibility of managing people taking into account both dimensions is shown in Figure 1.

Figure 1. The model of flexibility in managing people as a function of the ability to control and make changes



Source: A. C. J. de Leeuw, H. W. Volberda [1996: 131].

In turn, R. Krupski writes about the flexibility resulting from the personal characteristics of the CEO. As the author emphasizes, the personal characteristics of the director seem to be clearly related to the organization's flexibility. Enterprises managed by co-operative directors looking for occasions and information from outside introduce changes even faster than the employees can adapt to them [Krupski, 2008: 76]. The author of this article is of the opinion that the flexibility resulting from personal characteristics can be generalized to the actions of all managers, not only the general director. However, the flexibility of behavior can be the genesis of the style of management. Therefore, it is worth mentioning that an important component of the organization's flexibility are decision processes that may be more or less efficiently conducted. According to R. Krupski, efficient decision-making processes depend on knowledge, propensity to risk and other value systems of managers. The above-mentioned author emphasizes that the selection of the managerial staff due to the time and scope of decisions made by them also belongs to the organization's flexibility tools. It can be concluded that the flexibility of the management style

is an element of the organization's flexibility, and this affects the efficiency of the company, because on the background of the above considerations, flexibility can be a moderator of relations between human resource management activities focused on high efficiency and organization results (effectiveness). It is worth emphasizing that the results of empirical research confirm the existence of a positive correlation between the flexibility of human resource management and the results obtained by the organization [Ngo et al., 2011; Ketkar, Sett, 2009: 1009–1038].

As M.R. Parks writes, people who are more flexible are also more competent in the aspect of interpersonal skills [for: Juchnowicz, Wojtczuk-Turek, 2007: 63]. Individuals who demonstrate high competence in communication, are able to adjust their behavior in order to achieve individual goals. In the case of a manager, flexibility in this area allows an individual approach to subordinates, obtained not only through speaking, but also active listening to verbal content as well as observation of non-verbal content. Based on empirical research, it has been revealed that the managing style determines effectiveness in specific situations. In those where managers have moderate power and influence, a people-oriented style turns out to be effective, whereas when the manager has very little or no power, the task-oriented style turns out to be effective. Flexibility in the use of both styles seems to be the key to efficiency, while an efficient manager can adjust his style of leadership to the current needs of employees [Stoner et al., 2001: 20–38; Juchnowicz, Wojtczuk-Turek, 2007: 64].

The decision to choose the right style of leadership in a particular situation is extremely difficult, everything depends on the goal. There is no perfect managing style that works in all conditions. It is important for the manager to determine what his preferred managing style is and what other styles can improve his performance at a given moment. A manager who knows his strengths and weaknesses can modify his behavior. In order to be efficient, a manager must, regardless of his preferred style of leadership, use different styles, so as to make the best use of each of them, depending on the situation and surrounding conditions [Grzywiński, 2012: 81].

In this article, the flexibility of managers' behavior (as a determinant of the flexibility of managing people) is understood as the extent to which managers can use the range of their behavioral scripts in response to specific situational requirements, i.e., behavior adaptation as opposed to routine behaviors.

2. Efficiency in managing people

In this article, as already mentioned earlier, managing people is understood as a sub-function of human resource management.

In the subject literature one can find various examples of the interpretation of the efficiency concept. The problem also occurs when translating from English, because

efficiency is equated with efficacy. Meanwhile, as P.F. Drucker writes, the efficacy of the manager can be assessed on the basis of two concepts – efficiency and effectiveness. According to him, efficiency means doing things the right way, while the effectiveness means doing the right thing. On the other hand, managerial effectiveness cannot be combined with any innate predisposition or with a specific type of personality. The author is of the opinion that efficiency can be learned [Drucker, 2017: 15–20].

In turn, J. Adair thinks that the concept of the efficiency of managing people includes three elements [after: Bartkowiak, 2002: 13]:

- creative thinking,
- decision-making,
- problem solving.

As J. Adair points out, one should educate and improve the manager's efficiency. One should also remember about self-improvement of efficiency in the field of creative thinking [after: Bartkowiak, 2002: 13]. F. Mingotaud described seven principles of improving manager's efficiency [Mingotaud, 1994: 20–22]:

- 1) use customer-oriented managing,
- 2) constantly take care of perfection at work (in accordance with this principle one should not: accept unfinished work, be satisfied with a superficial work, provide defective products to direct and indirect clients),
- 3) avoid the threat of becoming a *textbook* manager. The manager must work together with his team to properly anticipate, evaluate and make decisions,
- 4) work methodically and with the understanding of the essence of things,
- 5) abide by your recommendations and goals,
- 6) be able to gain gratitude towards clients who make critical comments,
- 7) always analyze unfulfilled requests and orders.

In this article, the efficiency of management is understood as dexterity in the use of one's own methods, techniques, tools, operation or functioning without interruption². In the sense that efficiency has been adopted, it is understandable that every organization needs managers who will efficiently manage subordinate employees. Efficiency is a prerequisite for achieving success in a competitive market. Manager must think first of all about what needs to be done so that the organization can meet the current and future requirements of the changing market.

² Based on the analysis of, among others: J. Zieleniewski [1969]; T. Pszczołowski [1977]; T. Pszczołowski [1978]; J. Zieleniewski [1982]; W. Kowal [2013]; T. Kotarbiński [1982]; G. Bartkowiak [2002].

3. Styles of managing people according to WERK

Inventory of people management styles (*WERK*), developed by U. Brzezińska and M. Rafalak presents four styles of leadership: *wodzirej* (*W*) – MC, *ekonomista* (*E*) – economist, *rewolucjonista* (*R*) – revolutionist, *kapitan* (*K*) – captain (Table 1).

Table 1. Characteristics of WERK managing styles

Managing style	Managerial orientation	Characteristics of the style
MC	Relationship orientation	Believes that the human factor is the most important for the good functioning of the organization. Soul of the company. Values teamwork. Can build a wide network of relationships. Knows how to unload conflicts and motivate others. He can strive for compromises. Can be quite assertive and it is difficult to maintain discipline. Often lacks perseverance in pursuing intentions and strength to keep his own opinion in the situation of opposition from others. Characterized by dependence on the opinion of the surroundings. In contacts with subordinates, very open, eagerly builds informal relationships and helps others. The feedback he gives employees is often superficial and the assessments too tolerant.
Economist	Orientation on procedures	Perfectionist. Attaches great importance to precise performance of duties. Builds strong organizational structures and sets out detailed work procedures. Has an analyst's mind. Makes decisions after reflection and repeated analysis of the situation. Ensures compliance with the established principles of the hierarchy of service. Values order and traditions, likes everything to be in its mode, when it does not happen can be unpleasant and nervous. Suspicious and critical towards subordinates, expecting them to be highly efficient, which makes it difficult to satisfy him. Contacts with subordinates are characterized by low openness and formality.
Revolutionist	Orientation on ideas	Visionary. Focused on finding new solutions and introducing changes. Motivated by difficult, unusual challenges. Can choose the people needed to achieve his goals. Thinks perspective, has his own ideas and is willing to impose them on others. Characterized by great self-confidence, sometimes turning into audacity, which makes him not tolerate opposition. Energetic and persistent, but more interested in general visions and plans than executive details. Not practical. In dealing with others, usually gets into discussions, it is difficult for him to give up the field of competition. Assesses subordinates with little objectivity, sometimes paying more attention to whether they support his ideas than how they work.
Captain	Orientation on tasks	A man of action. Does not like unnecessary theorizing, puts on action. The implementation of activities is his priority. Hard-to-earth pragmatist. Can organize work for himself and for others. A good strategist. Has confidence in himself and is convinced of his own reasons. Unwilling to innovate. Characterized by emotional stability and clear thinking. Sets clear requirements and always accounts for the performance of tasks. Monitors the development of employees, sees their effort, achievements and failures. Fair to them, but does not enter into close relationships with the subordinates.

Source: own study based on: U. Brzezińska, M. Rafalak [2015: 16].

WERK combines dimensions describing preferences of specific values important from the point of view of organization management with personality determinants

of work typical for managers who prefer different styles. Authors, creating profiles of managers corresponding to the four styles of WERK, first used cluster analysis and selected a consistent list of adjectives characterizing them (psychometric approach), secondly in consultation with theoreticians and practitioners in the field of human resource management they analyzed the content definition of each style in a business context (approach quality). Thanks to this, definitions of four styles of management consistent in terms of content and referring to the realities of Polish organizations have been created [Brzezińska, Rafałak, 2015: 20].

4. Research methodology

After analyzing flexibility of the applied management styles and the efficiency in managing people, a decision was made to conduct empirical research aimed at finding relationships between these two variables.

The purpose of the study, presented in this part of the article, was to identify the flexibility of the styles of managing people by managers and their skills in managing people. Two research hypotheses were put forward:

H1: Managers are characterized by flexibility in applying the management style.

H2: The greater the flexibility in using different styles of managing people, the higher the subjective assessment of the efficiency of managing people.

The research was conducted in the banking sector from June to October 2018. The selection of the research sample resulted from the availability of respondents. The research covered persons working in managerial positions who expressed their willingness to participate in the research. All respondents met the criterion of performing the managerial function in the aspect of direct management of subordinate employees. The research sample was defined on the basis of statistical features and statistical survey methodology, using questionnaire surveys. The subject of the research are people in managerial positions directly supervising the work of subordinates in the banking sector. Employment in the banking sector in 2017 was 165,431 people. An estimated spreading range of 10:1 was adopted, which allowed to estimate the size of the surveyed population in the population at the level of 16,543 people in managerial positions. To maintain the confidence levels of 95% and 0.05%, 137 managers should be examined. Due to the difficulties associated with the maneuverability of completed questionnaires, and the general resistance of respondents to the conducted research, it was decided to extend the group of surveyed managers to 200 respondents. As a result, 188 completed surveys were received. Due to the availability of respondents, the research was conducted in the Zachodniopomorskie, Dolnoslaskie and Lubuskie provinces.

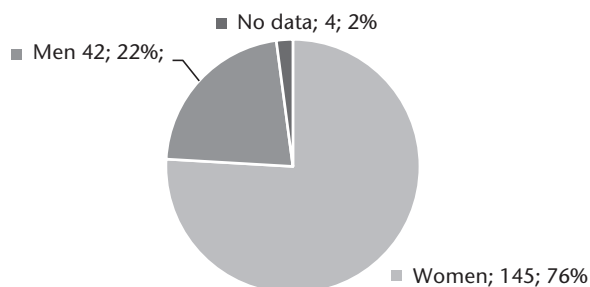
The research used MERC Managing Styles Inventory and an original survey on the efficiency of managing people. Each of the respondents completed the same test

set. In order to maintain the criterion of the reliability of research and to provide the respondents with a sense of security and conditions to provide sincere and unhampered answers, the research was voluntary and anonymous. Each of the respondents declared that they would complete the tests themselves, without consulting the third persons.

5. Research results

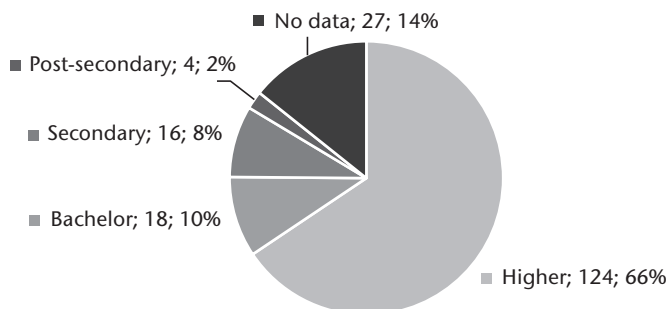
The survey sample is dominated by women (76.7%) (Figure 2). This is in line with the employment structure in the banking segment. Structure of education is shaped similarly (Chart 3), consistent with general trends in education in the sector under study.

Chart 1. The gender structure of respondents



Source: own study based on research.

Chart 2. The structure of respondents' education

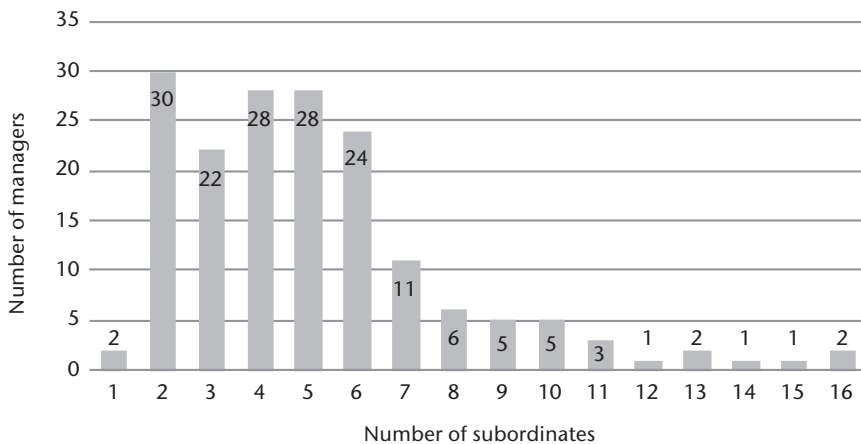


Source: own study based on research.

The respondents were dominated by persons with higher education (66%), followed by a bachelor's degree, mainly economic (10%), secondary (8.5%) and post-secondary (2%). What should be noted, a significant number of respondents, for unknown reasons, did not provide their education (13.5%). We assess that these were people who mainly participated in the training process.

The number of subordinate employees is shown in Chart 3. The largest number of surveyed managers controls 2 to 6 subordinate employees. 30 of them have 2 subordinate employees, 28 managers supervise 4 and 5 employees, while 22 managers – 3 people. The number of subordinates in the surveyed sample ranges from 1 to 17 employees.

Chart 3. Number of subordinates



Source: own study based on research.

Important for the surveyed population is the fact that almost 40% of managers do not have a dominant managing MERC style (Table 2). This proves the flexibility of using four styles of managing people by these managers.

Table 2. Percentage distribution of dominant styles of managing people

Sample	Dominant style				No dominant style
	MC	Economist	Revolutionist	Captain	
General sample	12.5%	9%	9.5%	32.5%	36%

Source: own study.

Table 3. Structure of the MERC sample broken down by gender in numbers

Management style / Gender	No dominant style	MC	Economist	Revolutionist	Captain
Number of women	43	20	12	6	44
Number of men	15	0	2	10	8
Total	58	20	14	16	52

No data available for 28 people.

Source: own study.

The majority of women either do not have a dominant style of leadership or represent the Captain or MC managing style. However, due to the large numerical divergence of the division into men and women, conclusions cannot be drawn unambiguously. A comparable number of respondents of both sexes should be examined. The additional division due to the education of respondents, in such an uneven group, is not important for the overall survey results.

Determination of efficiency in managing people

Bearing in mind the above results of research on high flexibility of applied styles of people management, it is assumed that the efficiency of managing people, tested using the original questionnaire, will also be at a high level.

Table 4. Structure of the sample according to the level of efficiency and flexibility of managing people by gender *in numbers*

Level of efficiency	Very high	High	Average	Low	Very low
Number of women	38	66	21	7	0
Number of men	13	15	1	3	0
Total	51	81	22	10	0
Level of flexibility	Very high	High	Average	Low	Very low
Number of women	26	28	52	26	0
Number of men	7	9	13	2	1
Total	33	37	65	28	1

No data available for 24 people.

Source: own study.

When designing the questionnaire, the author has ranked individual modules, which with a probability of 95% would allow the implication of the correctness of the implementation of the process of managing people. The adopted normalization

was based on the calculated average, which determines the average level. The average efficiency of managing people is 13,815, while the flexibility of managing people is 6,290,6977.

It can be observed that surveyed managers working in the banking sector are characterized by a high level of efficiency in managing people. This may be due to the specifics of the sector under study. The assessments made or planned activities are carried out as intended. Specified standards and deadlines in the banking sector are strictly adhered to by both women and men. A similar situation is taking place in the area of creating the environment with direct contact with the client as well as the instrumentation conducive to creative thinking, decision making and problem solving.

The aim of the study, presented in this part of the article, was to identify the flexibility of the styles of managing people by managers and their efficiency in managing people. There were no grounds to reject the research hypotheses, assuming that managers are characterized by flexibility in applying the management style, and the more flexibility there is in using styles of managing people, the higher is their subjective assessment of the efficiency of managing people. Skillful selection of the management style depending on the existing situation affects the efficiency of managing people, which in turn reflects positively in the work of the whole organization and thus increases its competitiveness on the market. In this context, it seems reasonable to recommend extended research among other professional groups.

Conclusion

To sum up, research results suggest that banking sector is characterized by high level of the efficiency and flexibility in applying the management style. Respondents do not have one dominant management style, which confirms their flexibility. Thanks to this, it is possible to adjust the style to the existing situation, which in turn translates into a high level of efficiency in the applied management style. Nevertheless, based on the review of the literature, it should be emphasized that every organization needs managers who will efficiently manage subordinate employees. Efficiency is a prerequisite for achieving success in a competitive market. The aim of this article was to analyze the flexible selection of the management style by managers and to connect it with efficiency in the applied management style. In the context of the deliberations and carried out research, this objective can be considered as completed.

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FLEXIBILITY AND EFFICIENCY IN THE APPLIED MANAGEMENT STYLE ON THE EXAMPLE OF MANAGERS IN THE BANKING SECTOR

Abstract

Each organization needs managers who will efficiently manage their employees. Efficiency is a condition necessary to achieve a competitive advantage. An efficient manager can adjust his management style to the existing situation and the environment. The manager must think first of all about what needs to be done so that the organization can meet the current and future needs of the changing market. The aim of this article is to analyze the flexible selection of the management style by managers and to connect it with efficiency in the applied management style. On the basis of qualitative research conducted among 188 managers, the author positively verifies the hypotheses which assume that firstly, managers in the banking sector are characterized by flexibility in applying the management style and secondly, the greater the flexibility in using management styles, the higher the subjective assessment of the efficiency of managing people. Nevertheless, both variables (flexibility and efficiency) are at a high level, which may be due to the specifics of the sector under study.

KEYWORDS: FLEXIBILITY, MANAGEMENT STYLES, EFFICIENCY IN MANAGING PEOPLE

JEL CLASSIFICATION CODES: G2, G4, M5

ELASTYCZNOŚĆ A SPRAWNOŚĆ W STOSOWANYM STYLU KIEROWANIA LUDŹMI NA PRZYKŁADZIE MENEDŻERÓW W SEKTORZE BANKOWYM

Streszczenie

Każda organizacja potrzebuje menedżerów, którzy będą sprawnie kierować podległymi pracownikami. Sprawność jest warunkiem koniecznym do osiągnięcia przewagi konkurencyjnej. Sprawny menedżer potrafi dostosować swój styl kierowania ludźmi do zaistniałej sytuacji i warunków otoczenia. Menedżer musi myśleć przede wszystkim o tym, co należy zrobić, aby organizacja mogła sprostać obecnym i przyszłym wymaganiom zmieniającego się rynku. Celem niniejszego artykułu jest analiza elastycznego doboru stylu kierowania ludźmi przez menedżerów i powiązanie go z sprawnością w stosowanym stylu kierowania ludźmi. Na tle przeprowadzonych wśród 188 menedżerów badań ilościowych, autorka pozytywnie weryfikuje hipotezy zakładające, że po pierwsze menedżerowie w sektorze bankowym charakteryzują się elastycznością w stosowaniu stylu kierowania ludźmi i po drugie, im większa elastyczność w stosowaniu stylów kierowania ludźmi, tym wyższa subiektywna ocena sprawności kierowania ludźmi.

SŁOWA KLUCZOWE: ELASTYCZNOŚĆ, STYLE KIEROWANIA LUDŹMI, SPRAWNOŚĆ KIEROWANIA LUDŹMI

KODY KLASYFIKACJI JEL: G2, G4, M5