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**Interactivity Leadership in a Global Economy**

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**Abstract:** This paper aims to analyze the interaction of leadership more pronounced due to globalization, the business world, can no longer ignore the powerful cultural aspects of leadership. In other words, there are differences between leadership styles considered acceptable in a national culture or another. Looking at different models of leadership and differences between cultural norms, we find that in this increasingly globalized world, begin to crystallize several converging trends. Thus, "global leadership" that leaders who act in a multicultural environment would be useful following attributes and skills: charisma, aptitude for teamwork, openness to change, interest in political and socio-economic life of other countries; ability to retain good relations with people of other cultures, adaptability to new situations, ability to work in a multicultural team, etc. Foundation skills training exceptional global leadership is built from childhood through socialization experiences that influence cultural patterns, and also are influenced by them. Early managerial responsibilities and experience gained in international projects do not create skills for leadership in international environment, but they develop. Consequently, global leaders must create multicultural communities, creating a culture that goes over the differences between people and contains certain "guiding signals"-values and attitudes - which can be easily understood by employees from different cultural groups. Thus, global leadership development program does not focus exclusively on understanding and acceptance of cultural diversity, but goes further, making the people realize they need a common organizational culture. Globalization requires many changes in the economy, communication, political structures, in all areas of personal and organizational-among them such essential processes of cultural convergence and diversification.

**Keywords:** organization; leader; leadership; globalization; manager

### **Global Leaders**

Although a highly effective leadership style in a country, can be extremely inconvenient to another, people are not always aware that there is any cultural difference.

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But just as certain personal qualities increase the chances of a global leader, there is a set of organizational skills at the success of companies in the international market.

In general, an organization with great international success has the following features (Judge & Bono, 2001, pg. 80- 95): there are a large number of employees of other nationalities than the organization, major investments are made outside the country of origin, there is a broad decentralization of power among subsidiaries, foreign managers are well represented on the board of the organization, members of the executive have vast experience in overseas activities, the organization's members have convictions that international experience is essential in career, the organization is very open in terms of promoting the employees of other nationalities, etc. To test the skills of candidates for posts abroad proceed (formal or not) in most global organizations. Often candidates are selected based on their performance organization located in their country of origin after being declared to work in an international environment. Candidates elected then enter a training program where they are reared in the organizational culture prevalent - which, at best, act like a trampoline, giving them support and encouragement for their leading global career. The most important factor in their formation as the best global leaders for the international environment is one of five essential elements of leadership from abroad: tradition, travel, training, transfer and team spirit. To access these five elements, those aspiring to global leadership quality, should identify and remove a number of obstacles. Foundation skills training exceptional global leadership is built from childhood through socialization experiences that influence cultural patterns, and also are influenced by them. Early managerial responsibilities and experience gained in international projects do not create skills for leadership in international environment, but they develop. Thus, we could say that if an individual is deprived of this foundation formed in childhood, education and training that would receive the organization for a job abroad would be of little avail. Therefore, we believe that organizations should carefully investigate the earliest provenance and preparation of any potential global leader, and analyzing and experiences during childhood or school, not only career path and performance.

Community and culture is very important that your child is integrated. For example, children raised in a society oriented towards trust, egalitarianism and collectivism - a society characterized by interdependence and lack of any paranoid traits - were much more likely to become good leaders, able to build trust and to impart a sense of organizational community global (Peeling, 2008, p. 50). Were also more likely than leaders in an international environment people raised in a culture to "make", that is, merit-oriented and not a "being", i.e. to the innate rights. Consequently, global leaders must create multicultural communities, creating a culture that goes over the differences between people and contains certain "guiding signals"-values and attitudes - which can be easily understood by employees from different cultural groups. Thus, global leadership development program does not focus exclusively on understanding and acceptance of cultural diversity, but goes further, making the people realize they need a common organizational culture. Paradigm-based management principles have been launched for the first time by Stephen R. Covey at the beginning of 1980, the Institute for principled leadership, the author was part (Slater, 2009, p. 15).

To eliminate confusion and correct understanding of the difference between principles and values, making a comparison Covey. He resembles the values with maps, not the territories themselves, but subjective attempts to describe them. When territories are but a permanent change, any map is soon overcome. Therefore, in such situations we need principles likened compasses that orient and guide us towards the desired direction. "A map based on values, can provide a useful description, but the compass in the center with the principles, provide vision and direction .... An accurate map is a good

administrative tool, but a compass fixed on the principles of true north is a management tool and acquisition of power". (Slater, 2009, p. 15).

Given the levels of leadership based on principles, the author mentioned above also establishes four levels: personal, interpersonal, managerial, organizational, each referring to essentially be the individual's relationship with himself or with others either on a series of needs experienced by individuals (need to work with others to prepare, organize, coordinate, etc.). Even if each of these levels is extremely important for success is absolutely necessary to work at all levels, not randomly, but based on principles. These are: quality of being worthy of trust (personally), trust (interpersonal level), empowerment (managerial level), alignment (within organizations). The first principle (quality of being worthy of trust) is based on the character and competence, that is what you know as a person and what you can do. The second principle (the trust) is Covey's opinion, "the actual bank account between two people which gives them the opportunity to have a working arrangement in which both win". (Slater, 2009, p. 22). The third principle (empowerment) refers to the ability to become a leader of support for subordinates, to involve them in solving tasks or in assessing the results obtained, you accountable, to enable them to judge themselves as "knowledge held them than any system of measurement " (Slater, 2009, p. 23). The last principle (alignment) is a corollary of the other way. If leaders trust the subordinates if surveillance place rigid control and self-control and self-supervision is taken, then it is very likely to show a common vision to be aligned with the strategy, style, structure or the existing organization desirable.

**Effects of leadership** based on principles are very numerous, essential are the following: safety (defined as a sense of value, identity, emotional stability, personal strength), orientation (to ensure that we receive direction and follow it in life); wisdom (suggest a sense of balance, a thorough understanding of the implementation of various elements and principles), power (the ability to act, the strength, the courage to meet, the vital energy of an option to take decisions) (Covey, 2001, p. 11). Theory based on principles of leadership is interesting and exciting: exciting, the author's ability to harvest, organize and then to frame a series of theoretical concepts, a wealth of observational data, even from personal experience, excited by the problems and question marks raised. You should not lose sight of the general intent of which deserves to be highlighted Covey, namely the need leadership's grounding principles, in other words, the regularities and regularities whose knowledge and intelligent application to establish one of the factors in organizational effectiveness.

In fact, leadership based on principles is opposed in the sense of Covey, management based on principles - principles are not practices "(Slater, 2001, p. 96). Management using the principles, unlike management practices using requires a different preparation, but the reward is more technical knowledge, more creativity and shared responsibility at all levels of organization (Slater, 2001, p. 110). Thus, leadership is based on principles, as we seemed a prerequisite for transformational leadership. Globalization requires many changes in the economy, communication, political structures, in all areas of personal and organizational, of them would be essential and diversification processes of cultural convergence. On the one hand, there is a universalization of cultural elements (such as language, communication channels), the values of some successful solutions (companies, ideas).

On the other hand, there is an adaptation of companies to specific elements of local or national cultures, which creates an interesting diversity within multinational firms. The global economy is one in which the rules of functioning of the organization are the same, only different environment. Compared to the national economy, the global economy is like building blocks in a provincial town to the skyscrapers of New York. Theoretically, there are more blocks, practically, from the 8th floor and floor 80 is a difference of perspective ... and the amount of oxygen available - so, some local

companies are choking or have "bad high" in a global economy. What changes is the type of problems as the size, magnitude. For a local firm, it is extremely difficult to resist the competition with a national producer of those products. Economy of scale makes national manufacturer to have a lower marginal cost and may require only local company with high quality, locally specific products, efficient management, creative entrepreneur etc. (Goleman, 2004, p. 64) Yet globalization is not only mergers, acquisitions, the disappearance of local firms but also processes of diversification and adaptation as well as money as a motivator, to adapt to the global economy does not necessarily great advantages, not sure of the success factor, but the lack of adaptation is certainly a path to failure.

More specifically, however, entails a modern organization and business leaders to adapt the **globalized economy?**

- Presence, visibility in the global economy, even for a local or regional organization.

This "fishing world," local or national companies require them to greater efforts to build strong brands and positive, greater transparency;

- Competitive prices and high quality and appropriate - the price / quality is essential and competition is fierce.

Each cost element is determined, because they often details make the difference. Each cost element is determined, because they often details make the difference. Reducing inventory and streamlining costs, for example, are obsessive concern in the global economy. The other element of the equation, quality, must be adapted not only to competitors but also to different beneficiaries. For example, going into the Asian market with products adapted to the Europeans or Americans, in most cases, a bankrupt strategy.

- Technology, efficiency, productivity - these are essentially determined by price.

Companies can no longer afford to produce expensive home or to purchase from incumbents components that produce them cheaper competitors in markets like China and India, we can say the same thing about manual versus automatic production output.

Outsourcing and industrialization are two highly visible processes which determine success.

- On an equal level of technological development, creativity is what makes the difference

Creative approach to technical problems, but management can be a decisive competitive advantage.

- Human resources quality, stable and adapted to the context, becomes a necessity especially for decision-making positions in multinational companies. Multicultural change the problem on human resources, change topics and approaches to marketing training and management.

Beyond these findings may give birth to concern, globalization involves not only threats to organizations, each potential hazard is also an opportunity for companies bold. Not to be easy, it is not impossible that a local or national company to extend or to recover quickly if a crisis by finding external customers, by identifying new markets, by outsourcing some activities (Preda, 2006, p. 160). But what will make companies in Romania in a global economy? Most private Romanian companies are still relatively "small" to exit the European competition in space.

**In Romania**, the only national mergers appear first and the first entry in the markets of neighboring countries. Former big public companies (Petrom, Sidex, Romtelecom, Dacia, BRD, BCR, etc.) already have "taught" some older players from abroad, which has positive consequences, but also involves significant risks. In addition, Romania has a clear and positive country brand for the benefit of

Romanian companies, we have no overarching strategy or economic sector. Globalization, as the most important stage of its integration into the European Union seem to be, for most of the Romanian organizations, shows that you passively watch TV, and no major trials, obstacles decisive for their future. Inertia, too many political role in economic and social life, which has generated uncertainty and constant change, and lack of competence and experience in planning managers, maintain strategic planning horizon for most of the Romanian organizations, a year from 5-20 years in the U.S. and more than Japanese. Continuation of these coordinates will be clearly bankrupt for many Romanian organizations. They must quickly invest in skilled human resources in market research and internal organizational analysis must learn from competitors, especially from the outside to avoid mistakes and, finally, to believe competitive advantage (Vlăsceanu, 1993, p. 56).

These competitive advantages for many Romanian companies must come from differentiation. We are not so powerful, so I have found niches in which specific products and price make a difference. Romanian organizational environmental advantages are obvious: significant natural resources, a certain exoticism, yet untainted purity of places and people, low prices of labor, a certain type of creativity that can be conducted in a positive direction, openness, tolerance towards foreigners and towards other cultures (Preda, 2006, p. 166). Organic products, cultural tourism, rural and spa, it is essential that the organizational environment is a development direction. Specific Foods appreciated opportunities to be "exported" to other cultures is another potential competitive advantage. Areas include creativity (IT research in biology, chemistry, technology) can also give birth to opportunities for Romanian organizations to become efficient in the global economy. Maybe these opportunities can be exploited best "at home". In order to become significant regional or global, Romanian organizations should require, first, at home, through hard work, perseverance and creativity - essential and universal elements of performance in organizations.

## **Conclusion**

Globalization, leadership as the most important stage of its integration into the European Union seem to be, for most of the Romanian organizations, shows that you passively watch TV, and no major trials, obstacles decisive for their future. Inertia, too many political role in economic and social life, which has generated uncertainty and constant change, and lack of competence and experience in planning managers, maintain strategic planning horizon for most of the Romanian organizations, a year from 5-20 years compared to other European Union member states.

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