



**STUDYING THE LEADERSHIP STYLE OF BUSINESS ORGANIZATIONS' MANAGEMENT UNDER THE  
CONDITIONS OF THE FOURTH INDUSTRIAL REVOLUTION**

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**ABSTRACT**

The present article examines the need of reconsidering the currently existing concepts determining the leadership style, demonstrated by the management in the business organizations. The existing two- and three-factor models of leadership under the conditions of the Fourth Industrial Revolution are upgraded to a six-factor Model of SMART-leadership, while the leadership theory is enriched with the possibility for the first time to study a leader's behaviour model along six dimensions. Defined is the algorithm of the Model of SMART-leadership in the business organizations, indicators for each of its six factors are set, while for each of the indicators there are indexes determined, whereby measuring, studying and evaluating each factor. The possible leadership styles are defined under each of the evaluations of the indicators for each of the six factors.

**INTRODUCTION**

Under the conditions of the Fourth Industrial Revolution, the business organizations are facing new and unknown challenges – over digitalization, hyper racing for resources and over competition. That leads to accelerated management, production and technological transformation of the economic entities, as well as to some new socio-economic trends, such as unemployment, inequality and poverty resulting from the need of the new type of economy of human resources with essentially new competencies and qualifications. These pending radical economic and social changes lead also to a conceptually new paradigm for leadership, demonstrated in the contemporary business organizations.

The need for essentially new research of the leadership style applied by the management in the business organizations undoubtedly results from the speed with which production and consumption are changing, from the scope of the changes taking place in the global economy, as well as from their systematic impact on all sectors of the socio-economic living. On the background of the ever

more powerful need of the economic entities to find the right way not only for their survival over the next ten years, but also for the sustainability of their competitiveness, the role of the leadership style applied by the managers is being outlined as the main driver and motivator of the processes of prequalification and upgrading of the professional competencies and abilities of the human resources in the business organizations, because the main challenge already is the global need of overcoming the ever more evident inequality not only between the separate sectors of the economy, but also in a socio-personal aspect. On the background of the forecast of the Global Economic Forum from 2016 that 7 million jobs may be closed over the next five years, there is an ever more pressing need for finding mechanisms to overcome the already forecasted disproportions and achieve organizational flexibility on the basis of shared values and ethical principles. This is achievable only and solely within the business organizations, where studying, analyzing and upgrading management's leadership style is turned into a continuous organizational process determining the activities and the goals of the economic entity.

#### **MANAGEMENT'S LEADERSHIP STYLE AS A BINDING LINK BETWEEN MANAGER'S PERSONAL QUALITIES AND LEADERSHIP QUALITY IN A BUSINESS ORGANIZATION**

In the eve of the Fourth Industrial Revolution, there is an evident radical change in the paradigm of management's leadership style, because leadership ever more perceptibly loses its quality of a group process, and under the conditions of the information-and-technological globalization it is becoming a process determining altogether the mission, vision, values, goals and activities of the organizations. The leadership style applied by the management in the business organizations is in correlation with the sustainability of the business results of the organization system itself. At the same time, however, according to Dave Ulrich and Norm Smallwood (2007), a difference should be made between the focus on the leader and emphasizing on leadership, since focusing on the leader is related mostly to his or her leadership qualities, while the emphasis on leadership highlights the quality of leadership in a certain business organization. On this basis, the personal qualities of the leader are a major factor determining the leadership applied by the management in an organization, which in its turn is a major prerequisite defining the leadership quality in the business unit. In this relation, the knowledge, skills and values of the leader would be totally unnecessary unless he or she manages to develop efficiently and effectively a working business system and business processes, due to the applied by him or her leadership style. The quality of leadership, which is a result of the applied by the manager leadership style, allows the business organizations to get modernized, restructured and changed, as well as to update and modify their strategies in line with the impact of the global external environment, while, at the same time, trust is being built, maintained and

developed in the co-workers, clients and investors. Thus, under the conditions of the Fourth Industrial Revolution, leadership is related not only to the personality of the leader, but also to the process of developing leadership abilities in the organization, as well as to its capacity to develop leaders, and meeting efficiently the future business challenges in this way. In this sense, leadership in the business organizations can be defined as:

- ✓ an organizational capability whereby developing leadership, which inspires trust within the internal and external organizational environment;
- ✓ an institutional process, which outlines the activities and goals of a business organization;
- ✓ a mechanism for creating and developing leaders;
- ✓ A dynamic process, implemented from the outside inwards.

The well-known leadership concepts are focused predominantly on the impact of the leader's personality within the business system. In nowadays conditions, however, apart from the necessary leadership qualities, the efficient leader should have:

- ✓ intellectual intelligence – measuring the quality of understanding and acquiring certain knowledge;
- ✓ emotional intelligence – an ability to understand and manage one's own feelings, as well as to understand and analyze the feelings of the person opposite you;
- ✓ Special intelligence – a set of practical skills for successful interaction with people in any environment.

At the same time, however, the internal focus on leaders and leadership often lacks the simple starting point that leadership can and should be concentrated on the things, which are outside the business organization to the same degree, if not more, than on those, which are inside it. (Ulrich, D., Smallwood, N. 2007) This results from the expectations of the external factors, since focusing only on the leaders within the organization does not provide full-scale information about the overall development of the business system, which is dependent, both on the external and internal impacts. In this sense, the quality of leadership in the business organizations can be defined as a synthesis of two dimensions – personal qualities of the manager and leadership style applied by him or her within the organization and outside it. That means that the quality of leadership requires the combination of the model of leader's competence with the systems of the organization (planning, organizing and controlling the activities, managing the business processes, talent management). Hence, the leaders have the preparation, abilities and capacity to turn the expectations of the clients and investors into organizational behaviour through influencing the factors X, Y and Z, on the systems and processes, which function in order to meet the expectations of the external and internal

changes. On this basis, the quality of leadership is in a direct relation to the leadership style applied by the manager in a certain business organization, and it binds the expectations of the clients, employees and investors with the organizational behaviour.

The new type of economy requires also transformation of the concept, which puts a priority focus on the personality of the leader, who influences the behaviour of his or her colleagues, into considering leadership within the social and organizational context. This approach, looking for correlative dependencies between the main indicators of the leadership style in the business organizations, can encompass the multilayer and dynamic nature of the manager – leader in the conditions of the already started Fourth Industrial Revolution. Actually, leadership is increasingly defined over the recent years as an optimal form of power (McGregor, D. 2005), where the leader is perceived by the co-workers not as an individual, but as an epitome of the organizational goals. This is a specific identification of the human resources of the business system with the leader, where this identification is expressed in an ambition to achieve the planned organizational goals, which are perceived by the individuals even as personally important. In that sense, and in view of the challenges of the future, the leadership style, applied by the management in the economic entities, should be studied not only from the perspective of the manager’s personal qualities, but also from the viewpoint of the principles of establishing the contemporary business organizations, which are in tight competition for new and sustainable competitive advantages.

#### **MODEL OF SMART-LEADERSHIP OF MANAGEMENT IN THE BUSINESS ORGANIZATIONS UNDER THE CONDITIONS OF THE FOURTH INDUSTRIAL REVOLUTION**

The two-factor measurement of the leadership style, introduced with the “managerial grid” of Blake and Mouton (1964) cannot be accepted as sufficiently adequate in the changed conditions of the environment and with the stronger trends for hyper racing for resources and over competition. There is a need for new indicators providing more complete and comprehensive information about the style and behaviour of the leader in the business organizations from the service sector.

The three-dimensional measurement of the leadership style introduced by the Russian professor Anatoliy Zankovskiy [2015], [2011] and focused on the result orientation, people orientation and orientation toward the organizational culture, seems rather abstract and difficult for practical implementation in the business organizations. At the same time, the three-factor leadership model does not comprise the positioning of the strategic organizational orientation points in business organizations’ external and internal environment, neither does it give any information as to what extent the co-workers recognize the leader as being identified with the priorities of the economic

entity. These arguments and considerations lead to bringing forward the need of a substantially new methodology for measuring the leadership style of management in the business organizations.

The need of a new methodology for measuring the leadership style applied by the management in business organizations is enhanced also by the fact that the traditional leadership known so far is implemented from the inside outwards, yet, nowadays, as a result of the global challenges and the increasing competition based on innovations, high technologies, Nano- and biotechnologies, the conceptual doctrine for the leadership in the business organizations is radically changing. Management's leadership style is already of a new type – it is SMART (Specific, Measurable, Agreed, Realistic, Time limited) and it is manifested from the external environment towards the internal one. This leadership style should sustain the shocks resulting from the new economic and social realities, which require that the business organizations and their strategic orientation should also be SMART. The conducted theoretical and practical-applied research and analyses, as well as the on-site studies in 1400 Balkan business organizations, prompted the generation of a model and methodology, which take into account clearly and unambiguously the links and interactions between all the factors, which are indicators in determining the leadership style of the managers in the contemporary business organizations. The algorithm under which the model and methodology should measure the expressed leadership style of the management in the economic entities requires going through the following major stages:

- ✓ identifying the key six factors, which determine the style of the leader in the business organizations;
- ✓ defining indicators, according to which each of the key factors shall be evaluated and measured;
- ✓ determining the links between the different key factors in view of binding them in one single entity;
- ✓ conducting a survey under preliminary generated questionnaires taking into account the six-factor impact on management's leadership style in the business organizations;
- ✓ entering the results from the questionnaires on six axes;
- ✓ defining the leadership style through a six-digit code;
- ✓ Elaborating a profile of the business leader's style.

The conducted research and analyses, as well as the synthesizing of the results from the on-site studies, show that the currently known two-factor models (combining employee orientation and result orientation) and three-factor models (integrating employee orientation, result orientation and culture-and-value orientation) should be upgraded with three new vectors: adaptability of the leader to the changes in the internal environment, adaptability of the leader to the changes in the external

environment and adaptability of the leader to the strategic orientation, determining the organization behaviour. Thus, the identified key factors defining management's leadership style in the economic entities become six:

- ✓ focus on the human resources;
- ✓ focus on the results;
- ✓ focus on the organizational culture;
- ✓ focus on the changes in the external environment;
- ✓ focus on the changes in internal organizational aspect;
- ✓ Focus on identifying the leader with the organization in internal and external organizational respect.

This is the basis for generating a conceptually new 6-dimensional model of SMART leadership, further developing and enriching the currently existing 3-dimensional leadership models, and adequately responding to the dynamics of the environment, prompted by the advance of the Fourth Industrial Revolution.

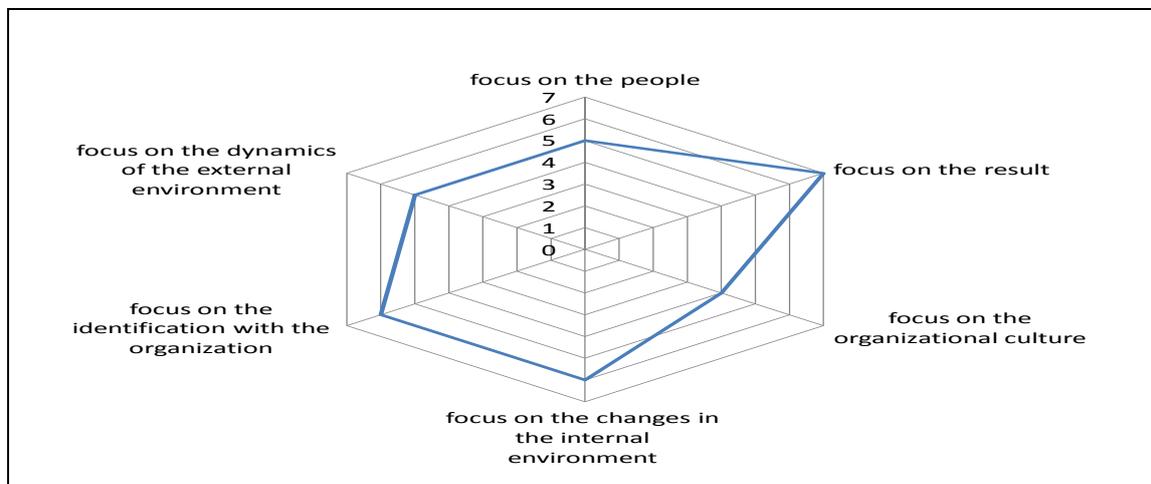
The links between the six separate key factors are determined through a balanced system of indexes of the set indicators. The six-dimensional approach in determining the SMART-leadership style in the business organizations is related to the importance of the indicators and their indexes:

- ✓ result effectiveness, defining leader's result orientation – it can be measured in tangible units of measurement, such as money, percentage, market share, growth, as well as under intangible indicators, such as clients' satisfaction, employees' commitment;
- ✓ motivation, determining leader's focus on the co-workers – it is measured in respect to the incentives and the created favourable labour conditions for the people working in the organization;
- ✓ adaptability, evaluating the abilities of the leader to adopt and reflect the tendencies of the external and internal environment into the strategic organizational orientation – showing the degree of flexibility of the leader, the strategy and the social structure of the organization;
- ✓ values, specifying the involvement of the leader with the organizational culture – forming the moral-and-ethical viewpoints of the leader;
- ✓ Leadership brand, showing the degree of leader's identification with the organization in internal organizational and external organizational aspect – providing information about the strength of leadership, implemented in a certain economic entity from the service sector.

The questionnaire surveying, whereby evaluating the management style of the leader in a business organization, is carried out in two stages: with the co-workers and with the leader. The results

acquired from the two types of surveying are compared and on this basis are obtained evaluation scores of the leader's style along the six factors set in the Model of SMART-leadership in the business organizations. Typical for the questionnaire survey cards, which are used to measure the value of the respective index of the indicators under each of the set six factors, is that in view of preserving the equality between the factors, the questions evaluating each factor should be equal in number. As a result of the conducted questionnaire surveys, for each factor there is a respective score obtained ranging from 1 to 7, according to the preliminary introduced evaluation criterion. The acquired six evaluation scores under the indicators, characterizing the six factors, specify the respective SMART-leadership style pursuant to six digits, corresponding to the obtained scores under the different factors. First comes the digital score for the human focus factor, the second position is for the digit showing the score under the result orientation factor, the third position is for the evaluation scoring under the factor of leader's orientation toward the organizational culture, fourth – the leader's focus in respect to the priorities of the external environment, fifth – the leader's priority concerning the internal organizational dynamics, and sixth – the degree of leader's identification with the organization in the organizational and macro environment. A six-digit code is thus obtained, which provides information about the demonstrated leader's behaviour in the organizations from the service sector under the already defined six major factors (Figure 1.). The profile of the SMART-leaders, determined by their leadership style, provides clear and accurate picture of the strengths and weaknesses in leader's behaviour model. This allows, on the one hand, to evaluate their leadership potential, on which their leadership style is currently based, while on the other hand, there can be predicted the potential capacity of the leader to achieve top performances and synergy in a future long-term period. At the same time, the leader's profile provides information also about the vulnerability of the leader, according to the indicator-determined scores.

**Figure 1: An example for a six-dimensional profile of management’s leadership style in the business organizations**



**Author’s own elaboration**

The application of the methodology of the Model of SMART-leadership in the business organizations allows to determine the current style of the leader and to outline the future activities in respect to eliminating the behavior-related acts and characteristic features, which lead to vulnerability of the leadership quality in the conditions of a highly digitalized, robotized and dynamic global economy.

**SMART-LEADERSHIP STYLES DEMONSTRATED BY THE MANAGEMENT IN BUSINESS ORGANIZATIONS UNDER THE CONDITIONS OF THE FOURTH INDUSTRIAL REVOLUTION**

The generated six-factor Model of SMART-leadership in the business organizations, defining management’s leadership style, enables to identify millions of SMART-leadership profiles in a particular time-related aspect. Combining the six factors as six-dimensional dependencies determines, for each of those compilations, the existence of a certain number of different leadership styles. This number can be calculated through a factorial, which is a function of the integer “n”, equal to the product of all the natural numbers, which are lower than or equal to “n”. In this particular case, there are six factors, while the envisaged evaluation scores are from 1 to 7. On this basis, the possible leadership styles are calculated under the formula:  $n! \times n! = N$  or  $6! \times 7! = 3\ 628\ 800$ . Therefore, the leadership styles, which may be manifested as a result of combining the six factors of the SMART-leadership, are 3 628 800. The current paper examines the main manifestations of the SMART-leadership style of the management in business organizations. This means that subject of analysis will be the minimum score 1 under the factor indicators, the maximum – 7, as well as the medium score - 4. Completely opposite are the possible combinations, determining:

- ✓ leadership style 1.1.1.1.1.1., characterized by extremely low degree of involvement with the problems of the co-workers in the service sector organizations, with low result for the studied economic entity, with indifference of the leader to the cultural-and-ethical standards in the business system, with disinterestedness in respect to the changes in its external and internal environment, as well as with no identification of the leader with the organization itself;
- ✓ Leadership style 7.7.7.7.7.7., determined by exceptionally strong focus on the people, results, the culture in the organization, the dynamics of the environment and the identification of the leader with the business structure.

The medium version of the two presented leadership styles is the leadership style of the type 4.4.4.4.4.4, associated with moderate levels of dedication to co-workers, results, cultural orientation, external and internal environment and medium degree of leader's identification with the organization.

The adopted designation with digital numbers of the leader's styles in the Model of the SMART-leadership in the business organizations corresponds to the designation of the leadership behaviour models in Blake and Mouton's "managerial grid". The difference is that the synthesized leadership styles of Blake and Mouton are defined by two digits, while in the Model of the SMART-leadership, the leader's styles are defined by six digits, as many as the factors for studying leadership. The evaluation under the criteria of the indicators describing the factors in the Model of the SMART-leadership in business organizations for each indicator contains a different description of the demonstrated leader's behaviour forming the leadership style. It can be summarized, however, that with 1 are evaluated the low levels of relation to the respective orientation, while with 7 – the highest possible involvement with the respective focus. The integration of the main descriptions under the evaluation scores by indicators and by factors in one single and comprehensive behaviour model forms the style of the SMART-leader in the business organizations. On this basis, the specific descriptions of the factors' evaluations, which are fundamental for the leadership profile, can be presented in the following way (Temelkova, M. 2017), (Темелкова, М. 2017):

- ✓ factor „focus on the people”

**Table 1: Descriptions of the specific leader’s behavior models according to the evaluation under the factor “focus on the people” from the Model of the SMART-leadership in business organizations**

Score	Description
1	The leader is indifferent to the problems of the co-workers and does not get involved in any interpersonal relations, which are not specified in his or her job description. That makes the team work in spite of its leader and leads to substantial staff turnover of those people, who have self-confidence, assurance and ambition. The opportunity for achieving synergic results in the long run is wasted, and the organization’s team works on its own.
4	Medium degree of commitment to the co-workers, where the leader tries to maintain ostensibly good relations with them, however, without having this impeding substantially his or her working schedule and professional functions. The leader applies in the relations with the co-workers the principles of compromise, keeping the balance between any contradictory or opposing viewpoints, and taking decisions following the “majority principle”.
7	The leader is always ready for compromise, responsive and looking for consent in resolving important issues in the organization. The leader keeps good manners, the relations and communications are good, however, any bad news or failures are never discussed or analyzed. That leads to creating ostensibly good organizational atmosphere, however it provokes the more ambitious members of the organization to leave it, since the team impetus, determined by the initially good ostensible relations, has gone away. The lack of sincerity, honesty and openness deprives the organization from the opportunity to achieve synergy in the long run.

**Author’s own elaboration**

- ✓ factor “orientation toward work commitment”

**Table 2: Descriptions of the specific leader’s behavior models according to the evaluation under the factor “focus on the result” from the Model of the SMART-leadership in business organizations**

Score	Description
1	The leader avoids and detours around any tasks, which are not specified in his or her job description. That makes the team work in spite of its leader and results in substantial staff turnover of those people, who have self-confidence, assurance and ambition, since there is no personal example set by the leader, who is supposed to lead the people from the organization to top achievements. The opportunity for achieving synergic results in the long run is wasted since the leader is interested neither in the strategic organization orientation, nor in the current or future position of the organization from the service sector. On this basis, the organization’s team works on the principle to “go with the flow”, and in spite of its leader.
4	Medium degree of commitment to the tasks and to achieving progress and result, where the leader tries to demonstrate activity and commitment to effectiveness and result efficiency, however, without putting much effort into it. There is ambiguity in the leader’s attitude to the working process and the goals of the organization – on the one hand, the desire for top achievements is intertwined

	with the desire not to be disturbed and indifference in the working environment. The leader, thus evaluated, avoids pressure, stress and pushing the co-workers, and is not ready to achieve results at all costs. The leader applies in the working process the principles of compromise, keeping balance and taking decisions following the “majority principle”.
7	The leader is highly determined to achieving results, efficiency and effectiveness from the organization. He or she keeps the course of the organization and the team, and achieves synergic results in the long run. This type of leader is ready to achieve success and lead the team to top performances. The strong commitment of the leader to the organizational strategic orientation sets a good example for the co-workers and engages them in the implementation of the organizational vision, goals and strategies.

**Author’s own elaboration**

- ✓ factor “orientation toward the organizational culture”

**Table 3: Descriptions of the specific leader’s behavior models according to the evaluation under the factor “focus on the organizational culture” from the Model of the SMART-leadership in business organizations**

Score	Description
1	The leader is weakly connected with the cultural traditions, rules and norms in the organization. He or she has one’s own personal attitudes, value concepts and convictions, moral-and-ethical norms and standards. Moreover, the leader avoids any possibility of getting into contact with the organizational culture, giving a bad example to the co-workers, who would also be reluctant to adopt the organizational cultural traditions and values, rules and norms. That determines also the absence of commitment of the leader and the co-workers to the main strategic orientation points of the organization.
4	Medium degree of involvement with the organizational culture, accompanied by medium degree of adopting the organizational values, norms and standards as personal, or at least as a part of the personal culture and ethical value system. There is ambiguity in the leader’s attitude to the culture in the organization – on the one hand, the willingness for identification of the personal with the organizational cultural and value orientation is intertwined with the desire for privacy and self-determination of the personal attitudes, values, concepts, convictions, norms and standards. The leader tries to avoid any sort of conflicts between personal and organizational cultural concepts and perceptions.
7	The leader is highly involved with the organizational culture. He or she shares the organizational cultural-and-value norms and standards as personal attitudes, concepts, conviction and models, and successfully leads the organization to synergic results in the long run, because of the example, which the leader gives to the co-workers by identifying with and adopting the organizational culture. The leader demonstrates personal conviction and involvement with the moral-and-ethical problems issuing from the working activities, the social engagement, charity and other activities, reinforcing the image of the leader and the organization in the economic entity’s internal and external environment.

**Author’s own elaboration**

- ✓ factor “orientation toward the changes in the external environment”

**Table 4: Descriptions of the specific leader’s behavior models according to the evaluation under the factor “focus on the dynamics of the external environment” from the Model of the SMART-leadership in business organizations**

Score	Description
1	The leader has a low interest in the processes taking place in the external organizational environment. Due to lack of competence and motivation, emotional reluctance or disinterestedness, the leader suppresses the possibility for the dynamics of the external environment to be reflected in the organizational strategic orientation. This deprives the organization from a behavior adequate to the changes in the macro-environment and makes the economic entity, operating in the service sector, uncompetitive and devoid of potential for achieving synergic results. Such a behavior of the leader brings the organization to losses, while the human resources reorient themselves toward new jobs in other economic entities.
4	Medium degree of leader’s commitment to complying the organizational strategy with the dynamics of the external environment. The leader is split between two opposite motivation factors – the willingness to achieve top results issuing from the need to comply the organizational strategic parameters with the changes in the external environment, and the desire not to have the status quo breached, which is related to the need of indisturbance, absence of any stress and indifference. The leader’s behaviour is based on the decisions of the majority in respect to expedience and efficiency.
7	The leader is highly determined to adequately reflect the changes in the external environment into the strategic orientation of the organization from the service sector. He or she is ready to reorient the organizational goal setting, as long as that would bring efficiency to the organization and has been prompted by the trends determined by the external macro-framework. Thus, the organization increases its capability to achieve synergy in the long run, as well as competitiveness and top results.

**Author’s own elaboration**

- ✓ factor “orientation toward the changes in the internal environment”

**Table 5: Descriptions of the specific leader’s behavior models according to the evaluation under the factor “focus on the internal environment” from the Model of the SMART-leadership in business organizations**

Score	Description
1	The leader has a low interest in the processes taking place in the internal organizational environment. Due to lack of competence and motivation, emotional reluctance or disinterestedness, the leader suppresses the possibility for the dynamics of the internal environment to be reflected in the organizational strategic orientation. This deprives the organization from a behavior adequate to the changes in the micro-environment and makes the economic entity, operating in the service sector, uncompetitive and devoid of internal potential for achieving synergic results. Such a behavior of the leader brings the organization to losses,

	while the human resources suffer from impaired communication channels and reorient themselves toward new jobs in other economic entities.
4	Medium degree of leader’s commitment to reflecting the changes in the internal environment into the organizational strategy. The leader is split between two opposite motivation factors – the willingness to achieve top results issuing from the need to comply the organizational strategic parameters with the changes in the internal environment, and the desire not to have the status quo breached, which is related to the need of indisturbance, absence of any stress and indifference. The leader’s behaviour is based on the decisions of the majority in respect to expedience and efficiency.
7	The leader is highly determined to adequately reflect the changes in the internal environment into the strategic orientation of the organization from the service sector. He or she is ready to reorient the organizational goal setting, as long as that would bring efficiency to the organization and has been prompted by the trends determined by the micro-framework of the economic entity. Thus, the organization increases its capability to achieve synergy in the long run, as well as competitiveness and top results, and also motivation of the co-workers, who adopt the organizational mission, vision and goals

**Author’s own elaboration**

- ✓ factor “orientation toward leader’s identification with the organization”

**Table 6: Descriptions of the specific leader’s behavior models according to the evaluation under the factor “focus on leader’s identification with the organization” from the Model of the SMART-leadership in business organizations**

Score	Description
1	The leader has a low interest in the fact whether, within the internal environment, the co-workers identify him or her with the organization and its prospects. At the same time, the leader makes no efforts so that the clients, partners and investors of the organization, as well as the society itself, would associate him or her with organizations good positioning and image. The leader avoids any stressful situations, tension or emotional pressure, and is indifferent as to whether it is recognized in the organizational environment that he or she leads the economic entity to top results and synergy. That leads also to ruining the image of the organization itself, as well as to blocking the opportunity for developing leadership as a brand therein.
4	The leader does not make any particular efforts to be identified with the organization in its internal and external environment. He or she maintains the status quo and would not like to be burdened with innovative ideas or policies leading to a radical change in his or her personal image and in the organization’s brand. With moderate consistency, the leader conducts a policy of imposing leadership as a brand within the external and internal environment of the economic entity from the “service” sector.
7	The leader conducts intensive policy and purposeful strategic activities for imposing leadership as a brand in inter-organizational and extra-organizational aspect. He or she works deliberately for improving his or her own image and the economic entity’s image and brand, as well as for gaining additional value for the co-workers, clients, investors, partners and the society on the basis of identification between the leader and the organizational strategic orientation. The

competitiveness of the organization is thus increased, as well as its chance to achieve synergic top results in the long run.

#### **Author's own elaboration**

The presented descriptions by factors, according to the obtained evaluation scores under the indicators should be integrated on the basis of the obtained digital numbers forming the leadership style. The compiling of the six descriptions for each of the factors in one single information framework determines the comprehensive profile of the leader, based on the defined SMART-leadership style. It is exactly on the basis of this profile that the strengths and weaknesses of the leader of an organization can be easily identified.

#### **CONCLUSION**

The studies in 1400 Balkan business organizations have established that as a result of the occurring dynamic changes in the global economy, there is an ever more evident need for elaborating a new concept for studying the leadership style applied by the management in the business organizations. That need arises also due to the circumstance that the tools currently used for identifying the leadership style do not work together efficiently, and do not provide a result that would be relevant to the reality in the business organizations. This is so, because the changeability of the environment, and hence, the change in the strategic focus of the leader on problems that are different in their importance, take place much faster compared to the change and restructuring of the research toolset for studying them.

The current study synthesizes an essentially new concept for management's leadership style in the business organizations, while defining the pressing need of the organizations under the conditions of the already started Fourth Industrial Revolution for applying a new type of leadership style, defined as SMART. In the basis of this concept, there is the necessity determined that the leadership style should be examined on the basis of six factors – focus of the leader on the results, human resources, organizational culture, the dynamics of the external and internal environment, and the degree of identification with the organization. It is exactly the exploration of those factors in a unity, preconditioned by their mutual influence and determination that leads to a full-scale and multi-aspect definition of the qualities and abilities of the leader. In order to able to lead the business organization to synergic results in the changed economic, social and technological reality, the leader should integrate unique abilities, capabilities and qualities, which would turn him or her into a SMART-leader.

The integration of an innovative methodological toolset turns the concept into a working mechanism for exploring, studying, measuring and analyzing the leadership style demonstrated in the organization under the conditions of the already started Fourth Industrial Revolution.

The concept for studying the SMART-leadership style of management in the business organizations has been tested in three economic entities, which makes it a genuinely working theoretical concept with practical application and usefulness in the real-life business sector.

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