LEADER, AS SYNERGY-BROKER

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The lecture lays down a novel theoretical framework of the role of leader. The role of the leader, who herself does not create directly value, is to manage synergies among the complementary resource-vectors of the stakeholders. Leader creates the organization (as an institution) to serve as cooperative space to create and share value among the stakeholders.

The executives of classic management adopted top-down synergy management: the manager is the problem solver, and Fayol's managerial functions describe these management roles. That is the recognition of Barnard, it is not the manager, who solves the problem, but with the creation of a cooperative space produces synergetic rapport of organizational actors' resource-vectors. The Barnardian functions of the executives therefore show a completely different formula. Managing the internal synergies culminates in the behavioral decision theory school (Simon, March, Cyert), focusing on how to involve and motivate creative problem solving in order to create both customer value (utility) and shareholder value (profit).

The resource dependence approach of Pfeffer and Salancik exceeds the internal synergy-management approach opening the synergy space toward external actors. With his managerial roles Mintzberg extended the space of executives' synergy-management toward extra-organizational players. John Kotter regards the management role as the one exploiting internal synergies and the leader role exploring outer synergies as equally important value creators.

Extending the triangle model of Peter Drucker the role of a leader we lead up and interpret this role as synergy management among *four* actors along the value-chain:

- owner (provider of capital, external actor)
- employee (provider of labor, internal actor)
- supplier (provider of sources, including financial sources, external actor)
- customer (provider of income, user of the product/service, external actor),

Leadership, as a matter of fact, is regarded as synergy-brokerage in this resource-, synergy-, and interest-space. To understand the complexity of this challenge: the goal-functions of the stakeholders are inherently different:

- customer: utility of goods and services
- employees: motivation
- owners: profit
- suppliers: profit (with a sharp conflict of interest with the shareholders)

The latter conflict of interest is analyzed by Porter's Five forces model (bargaining positions) combined with the supply-chain.

The success-criteria of a good synergy-management role of the leader is three-fold:

- to what extent the leader is able to attract actors with the best resource capabilities into the "synergy-game";
- to what extent the leader is able to mobilize and manage the inter-actor synergy-potential to create maximized value; and
- to what extent the leader can create and maintain a sustainable pattern of the fair distribution of the created values.