

Importance of Trust in the Knowledge Based Leadership

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Abstract

More pressures are placed on leaders' decisions in terms of assuring the survival and development of their organization. As the knowledge based economy and society proves to be more than fashionable terms, the leaders have to develop new approaches able to face the challenges of a dynamic environment.

Their inspiration and hard work are involved in developing organizational structures able to discover, to amplify and value the employees' innovative potential based on knowledge creation, acquiring, sharing and use.

Trust becomes a delicate resource that act as a bridge between the tendency to keep the knowledge for you in order to demonstrate your important role for the organization and the real needs of higher interdependencies among the employees that are the only mechanisms that will be able to assure a competitive advantage for the organization.

Keywords: *knowledge, leaders, leadership, trust, organizational culture*

JEL classification: M12, M14

1. Knowledge impact over the organizations

Organizations become more and more dependent on the quantity and quality of information that is produced, acquired and used by its workforce and the leaders are well aware of this situation.

The success or failure for groups and organization start to be more connected with the creative potential, with the innovation that includes all fields of activity.

Despite of the uncertainty that is associated to the external environment the leaders bet on the new approach that started to shake the paradigms that surrounded the way of leading (Politis, 2001), paying more attention to knowledge and knowledge management.

Consequently, the preoccupations for managing knowledge quickly overpassed the academic ideas or researches and become a major concern for leaders at different hierarchical levels.

As the knowledge finally had been identified as a major resource for an organization (Laszlo, K., Laszlo, A., 2002), it started the competition for getting and using the relevant portfolio of knowledge (Barnes, 2002), able to assure a smoothly evolution.

Competition for knowledge is fierce as for other resources, regardless of the fact that we talk about human or financial resources. It's not surprising to see leaders or organizations that are quite aggressive in pursuing clear objectives in terms of knowledge management.

Leadership is a process that is affected by the new orientation of the leading staff (Kets de Vries, 2005), starting to try to define some particularities provided by the new context.

It means that knowledge becomes a new factor that shape the characteristics of leaders thinking and actions, besides the classical ones that include the social and cultural norms, the economic power of organization a.s.o. It is a mechanism that will have powerful consequences on the organizations changes (Năstase, 2009), on the design as on the content of these adjustments.

There is a strong connection that has to be properly explored between the leaders decisions and the acquiring and use of knowledge (Bryant, 2003; Lakshman, 2005) within organizations.

The internal environment becomes more dependent to the channel of communications with the external environment as its needs for change is growing, fueled by a wider range of pressures.

Market becomes a play where can survive only the group or the organization that have the best systems in place for getting and using the knowledge (Nicolescu O, Nicolescu L., 2005). That automatically implies a workforce that is open to new, able to communicate effectively and willing to share the knowledge.

There are some theories that treat knowledge separate of human resources, considering that this delimitation has practical value for organizations, offering the necessary premises for some of them, even without high quality workforce, to achieve growth by know-how transfer. Subsequently, we'll assist to adjustments of workforce as they will become better prepared and motivated, that will lead to another potential growth.

In our opinion the two resources are well connected and they influence each other. Even for academic purposes they can be, to a certain extent, assessed separately, when we take the practical approach it is necessary to bring them together and to see them in all their complexity.

Innovation and change become attributes that are now stronger connected to the knowledge based leadership as actions that are more often associated with a leader's decision in order to assure that competitive advantage will be reached.

Building an organizational knowledge map is one of the most difficult action for a leader, as he has to thoroughly assess the knowledge potential of the organization and how it can be better valued.

Getting the competitive advantage is a main concern for leaders (Burduş, 2006) throughout the organization. The concerns for this subject increased even more as a consequence of the present crisis, with direct and strong implications over the companies' performances and on the workforce size.

If we refer only to the explicit knowledge (Saint-Onge, Wallace, 2003) that is to be used in this process, the situation could look quite simple for designing objectives and establishing ways to attain them. However, in practice the things are far away of being simplistic and they have to be managed properly.

An important issue is related to the fact that a large part of the knowledge is represented by tacit knowledge (Bibu et. al., 2007) that part that is developed especially to a narrow level, by individuals or groups and is highly personalized.

Taking to the surface the tacit knowledge and making it available for other components of the organization is a tough mission for the knowledge based leaders.

The phenomenon of extracting the tacit knowledge has to be doubled by its transformation to a large extent, into explicit knowledge, able even to be stored and accessed at different moments.

At the same time, leaders support the individuals and groups to share knowledge (Hicks, 2000; Vitala, 2004), but also to learn together. It's a process that is very important for the organizational life but one that in practice is forced to face many obstacles.

Learning organization can be developed only when the leader succeeds to transform the organization and himself in both sender and receiver of information, building a climate of trust and embedding it within the organizational culture (Năstase, 2008).

Permanent monitoring of the environment, meeting the stakeholders' needs means to be able to connect with a solid informational system, able to provide the raw materials for decision making process.

Attaining the organizational objectives is a process that imposes a better cooperation among the people from inside and outside of organization and finding the right balance between internal conditions and external requirements.

As the technology evolves and the other resources have a higher dynamism it's up to the leader to assure that precious knowledge is acquired and used properly by its followers.

We can't say today that we are interested only in political factors. Or in technical sector. Or in demographic field. All of them are important and together represent constraints that we have to pay attention.

The same things happen for the internal environment, with its diversity of factors that personalize the existence of an organization.

Due to such situations, the relationships between leaders and coworkers tend to change as each individual and group possess certain tacit knowledge and they could represent important assets for growth.

By combining these elements the strengths of organization amplify and increase its capacity to turn potential threats in opportunities to develop.

Practically, we have not only a way to diminish the vulnerabilities but it can be done a step further for consolidating the organization's position.

In this respect the entrepreneurial potential of the staff and the risk acceptance are some of the elements that could make the difference to the competitors.

The monitor role of strategic leaders doesn't have to be overseen as he has to be of high intensity and connected to the evolution of the internal and external environment.

Sources of learning have to be identified also from external environment and the quality ones have to be cultivated and more integrated with the internal ones.

In the classical organizations, the organization way relied on the supposition that the managers have much more knowledge comparative with their subordinates and this aspect entitled them to make decisions, to order, without being necessary a consultation or involvement of the subordinates.

Within the knowledge based organization this thing isn't anymore valid, the employees being able now to possess richer knowledge than a manager.

Now, the emphasize will be placed on leader's abilities for convincing the employees to expand and use their knowledge. Knowing how to do the things becomes a day-by-day preoccupation for employees at all level, in their race for survival and development.

The learning process isn't enough to be carried on just at individual level or small groups, but a learning network should be developed throughout the organization.

Knowledge based organization are very sensitive and attentive at the market evolution. The sensitivity increases due to the fact that more employees are aware of complex relationships between organization and its environment. It is amplified the perception of their own role within the organization and the impact of individual and group performance over the global results.

2. Trust in knowledge leadership

A basic characteristic for a successful leader is represented by his credibility, by the trust of your stakeholders in your capacity to lead. However, this is a quality that you have to permanently cultivate, to build it up on a continuous basis. We can't say that today are credible and tomorrow no, but the day after tomorrow will be again.

The leaders connect their success to the values that are at the bases of their decisions and undetaken actions, to the ability to work in team with his co-workers. They represent key elements for the evolution of an organization.

Leaders succeed to form partnership with the stakeholders, succeeding to build up the trust and getting them involved in organization's plans. The networks created by such means will facilitate the know-how transfer, amplifying the strenghts of teams.

The energy and involvement of all the organization's employees depend on their vision. They are able to establish attractive targets for the staff and to find the best ways for achieving them.

But they don't do all the things alone, but in strong connection with their co-workers. The challenges for leaders are higher as they interact with a more educated workforce that struggle to have a stronger floor in the decisions that are supposed to affect their professional and personal life.

We should assist to important changes in the employees perception and attitudes as a classical conflict has to be solved. One hand, a strong belief shared just a short time ago was that the information is power. In order to show your importance and major role within organization, it would have been better to keep the information for you and to provide it only in certain circumstances that were able to emphasize your contribution. So, don't share it if you want to be perceived as important for the organization.

On the other hand, the complexity of today environment makes it clear for a higher percentage of the workforce that they are more dependent to each other and the circulation speed of information and knowledge becomes crucial for the existing of the organization and their jobs.

We can see that we could talk even about the basic needs for the employees that they wouldn't be able to meet without a strong cooperation, without going beyond of the temptation of secrecy.

Innovation means a continuous effort that has to be nurtured with quality information and viable networks. It becomes harder to be individually innovative without being connected to a network of specialists in that field of action.

More than this, we assist to the development of a workforce more responsible, but also more interested with what is happening to it, by their own, but also the organization's perspectives.

In a very dynamic environment, as the present one, the knowledge leadership will facilitate the employees autonomy, offering them a high degree of freedom in decisions' grounding, making and implementation.

They will try to develop partnership with the employees and other stakeholders in order to get maximum of the organization potential and from its context.

3. Building your team

A major issue is represented by the team building. Bringing in only people that agree the leaders decisions, without being involved in the decision making process, without a clear communication of the followed objectives can represent a factor that will have a negative impact over the organizational functionality and performances.

Solving the problems impose that both leaders and their teams to possess the required competences in dealing with those difficulties, but also to be able to express and use them.

It doesn't happen rarely when people with leading positions take bad decisions and the people around them, even if they know that the decisions are wrong, show a fake enthusiasm and approve the leader just from the fear of not having a potential conflict with their boss.

At the same time, the leader must be interested in keeping up-to-date the competences of the people around him as long as he is really interested in performing well in the competitive environment.

This means that he should be able to share with his followers the burdens of strategic, tactical and operational decisions and actions, but also the results that are obtained.

It's also possible when the team is made of personalities with major influences over the organizations members to appear a feeling of rivalry between two or more members.

When the competition is at a constructive level, the team and the collectivity around can take advantage of those persons' dedication, of their desire to find better solutions and to enjoy the appreciation of those who work with them.

If the competition goes to a savage rivalry where the stake is not anymore represented by the elaborated ideas, by the innovation developed, but by the desire to compromise the opponent, then we'll assist to a degradation of the climate and human interactions.

The messages that are going to be transmitted inside the organization will be of the lack of cohesion and following only the personal interests, issues that are going to affect the trust placed by employees in their leaders.

It can be reached a degree of fragmentation to which the information would circulate only selective, among the members of certain parties and be hidden to the others, with the fear of not offering an advantage in the hypothesis of a potential conflict.

On the other hand, as the mutual trust diminishes, it can be easily supposed that the leading team will try to keep the things moving and consequently, it is very likely to see that the control mechanisms are amplified.

Such a situation, with a tighter control will be of nature to unplease more the employees and their trust to drop dramatically. Delegation process that was an important tool for the leaders to empower their co-workers will be diminished to maximum, things that will affect to a larger extent the time consumed by leaders to solve different issues and to hamper the development of the employees potential.

It's also loss from the perspective that delegation offers the possibility to bring to the surface the tacit knowledge of the employees and to be shared with the colleagues.

We see that leaders have the responsibility of keeping the team to a performing level and to be prepared not only for the challenges of the present times, but also for the future.

We have to pay attention that the managers have to be able to develop and promote a strategic thinking. They are often associated with the vision that they are able to create and share with the stakeholders.

Weaknesses in strategic thinking can create major disfunctionalities in organization mechanisms and hamper the employees to position within them.

As consequence, the energy and capacity of the personnel instead of being channelled towards the achievement of well established objectives, they are consumed chaotic, more for personal than organizational goals.

Knowledge leaders are able to foster the development of the persons around them and to support the preparation of the future leaders. In this process leaders rely on the member teams to be able to take up and to convey their messages, amplifying their impact. The grapes communication network will be able to work as long as there is a certainty related to the competence and good will of those involved in those channels.

Informal communication also represents a mean to bring to the surface the implicit knowledge, that thing that is an important part of the individual success.

Of course that this process is supported by leaders' attitude. Sustaining the knowledge sharing becomes a necessity for a successful leader. He is under pressure by the high rhythm of changes, both from inside and outside the organization.

As employees struggle to solve the problems they face, it becomes clearer for them the imperative of developing collaborative mechanisms. To strengthen them they will search for more consistent support from their formal and informal leaders.

Even if there are still employees who believe that only them know some problems and only them are able to solve certain situations, the tendency to build up your ivory towers are continuous diminishing.

To achieve really good results means that you are able to understand the needs and functionality not only of the structures where you are directed involved, but also the parts that depend on your inputs or indirectly, from other systems where you deliver different resources.

It's a global vision that has to be shared by a growing number of employees, people who back the leaders, who assure the most important capital for the organization: human capital.

But they have to be nurtured with energy and competences, issues that come from the really involved leaders, able to assure a vision and build cohesion along the horizontal and vertical organizational relationships.

Under these circumstances the building and keeping the organizations identity, isn't anymore an easy task, but it requires special abilities from the leaders in terms of knowledge acquiring, sharing and using.

Leaders promote a mindset that will address the importance of knowledge flows inside and outside of organization for building a strong competitive bases.

We talk about an organizational culture, able to allow the new elements to penetrate the organization and to contribute to its renewal. The sustainability of organization will direct depend to the leaders' abilities to design an organizational culture that encourage the building and use of a wide range of knowledge sharing and learning networks.

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