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Examining the level of sustainable leadership practices among the managers in Turkish insurance industry

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Abstract

The main aim of this study was to identify the level of sustainable leadership among the managers of Turkish insurance industry. In order to achieve this aim, questionnaire method was used and 70 managers were participated to this study. Findings showed that despite the existence of significant leadership skills among the managers, sustainable leadership skills of them were far behind the expectations. In fact, the overall results indicated that the sustainable leadership scores of the managers stayed below the moderate level. This indicates a need of significant improvement.

1. Introduction

Veenbaas and Weisfelt (2004) state that leadership or management is a wide-ranging notion which can take place in several various manners. Likewise, Spector (2003) also argues that leadership has several definitions and none of these definitions has been singularly accepted by all. In spite of the varying ideas concerning leadership, there is a shared opinion that leadership is engaged with creating an effect on the manners, ideas, actions and sense of other individuals (Spector, 2003).

However, those who are not leaders can also create an effect on other individuals, the mere variance is that leaders apply an unequal effect and in this sense, they create more effect than other individuals. Within the business context, it is obvious that leaders arise from the executive management (Rost, 1993). In other words, within the

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business context, individuals who do not possess an executive level management position are not leaders (Rost, 1993). This indicates that in case companies desire to train their leaders, in fact, this suggests that they concentrate on the generation of their executive managers and then eliminate a large number of leaders.

According to Senge et al. (2000), this limited definition of leadership falls short from two points. Firstly, it indicates that only people at the top management levels can be leaders. Desire for leadership can merely be gained in case the individual possesses an executive position in a company. The second issue is that considering leadership as a solely hierarchical position suggests that it does not possess an objective definition of leadership due to the fact that it is identified merely by an executive level management position in the corporate hierarchy. Burgoyne, Hirsh and Williams (2004) claimed that leadership is a capability of human to build up future and more particularly to endure these procedures for a comprehensive change. This proposition reflects a desire to underline another opinion concerning the manner individuals go through leadership: the faith that the competence of leadership is to preserve 'structural tension' (Senge et al., 2000). This structural tension is the energy created as a result of people generating a vision and articulating the reality about the present existence. Therefore, in such a world of worldwide corporate linkages, aspects where hierarchical leadership is not appropriate are encountered (Senge et al., 2004).

The hierarchical state of leadership is usually developed upon the authority to destruct instead of the authority to establish and generate. In this sense, a novel sort of leadership style has to be formed. It should be developed on the basis of not depending on outstanding persons resembling a hero or a conventional leader; instead of this, leadership should be exercised by groups, organisations, societies and networks. In this manner, Hargreaves and Fink (2006) underline that a leaders should practice a sustainable leadership. In this context, sustainable leader immediately, gain knowledge from the past and from multiplicity, is strong under pressure, acts tolerantly when expecting outcomes, and does not exhaust individuals (Jones, 2014). This state of sustainable leadership concentrates on fairness and ethicality and pursues to provide advantages for all people across the world now and in the future (Freeman and Stewart, 2006). Following to this suggestion, sustainable leadership concept gained significant importance and examined by number of scholars. In the following part, sustainable leadership will be examine and evaluated in detail. Following to this, the level of sustainable leadership practices among the managers in Turkish insurance industry will be examined in the analysis part of the study.

2. Literature review

2. 1. Sustainable leadership

Sustainable leadership is a managerial perspective with the purpose of generating superior and more maintainable results, decreasing undesirable employee turnover and speeding up inventions. This unconventional understanding of leadership is named as "sustainable", "Rhineland" or "honeybee" leadership (Avery and Bergsteiner, 2011). Speaking of sustainable, it is not meant a company acting ecologically and responsibly. Studies and analyses covering more than 500 companies across the world, comprising several listed corporations, indicate that sustainable leadership calls for a long-ranging view when taking decisions in order to nurture systemic inventions with the intention of raising customer value; building a competent, devoted and greatly participating staff; and providing high-standard products, services and resolutions (Hargreaves and Fink, 2006). With the employment of sustainable leadership, companies turn to be highly knowledgeable concerning leveraging shared benefits in the long run which combine several interest groups. As an instance, they select their suppliers depending not only on the foundation of low prices. They also merit additional interests which can be delivered to both parties by long standing associations with inventive and trustworthy suppliers. Alternative interest groups, especially the workforce, also get advantage from long standing associations with an organisation. An element of the unspoken agreement with interest groups comprises the moral and responsible activities of the company towards the society as well as the environment. In response to this, interest groups reinforce the company. Briefly stating, the target of sustainable leadership is to maintain a balance between the individuals, financial returns, and the environment during the company's existing life and by acting this way, to make sure that the company creates the social capital which is necessary for surviving crises (Avery, 2005). Several management scholars demand companies to re-establish the ethical and social aspects of their activities.

Leaders with responsibility target accomplishing outstanding results for their companies as well as the related interest groups for the long run (Lane and Maznevski, 2014). On the contrary, in case the leaders of a company work on profit outcomes in the short term and fall short in making successful resource investments, they put the company's