Leadership in Micro-Financing: Typologies, Processes and Innovation

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Abstract-After the production and services sectors, the micro-financing sector is one of the most important sectors in the economy. It consists of a variety of actions, rules, and coordination mechanisms that lead to its continuous success and high performance. As one of the key points of this article, this is the leadership of its actors and the processes of interactions among the different types of people involved in it. Leadership is to coordinate an important number of people and lead them to effective and efficient operations and work activities, otherwise there can be mis-organization and management in general. The paper presents the case of a micro-financing center that sustains the development of this sector through the provision of trainings, seminars, awareness programs, conferences, financial funds, and managerial practices. The paper derives its data from a questionnaire and interviews dedicated to its leaders concerning its strategic, technological, organizational aspects, and leadership. The results demonstrate a rich environment characterized by strong leadership, innovative processes of interactions, and communications, and lead to the development of a dictionary of words about this sector’s leadership. Also, it presents theoretical and managerial implications derived from the results of the study stating that each work activity and role has been characterized by different leadership typologies. However, some work activities have the same leadership styles.

Keywords- Leadership; Sustainable Development; Micro-Financing; Organizational Development; Strategic Management

I. INTRODUCTION

The micro-financing sector is one of the most important sectors in the actual business and social environments. It consists of organizations, systems, and processes that lead to the development of the social level of the very poor. According to reference [1], it is the pillars to a socio-economic development. Its different layers of operations include human resources that have specific roles and work activities leading to this sector’s development. While talking about human resources, it is interesting to take into consideration the styles and types of human resources management. Reference [2] states that there are various types of human resources linked through structural forms of communication. Also, reference [2] states that there are strategic ties among the founders and homogeneity among various organizations and there is delegation of some activities, which leads to heterogeneity in active participation. Therefore, the micro-financing sector knows various types of human resources management. At the social level, they know a shape of decentralized decision-making in order to allow a faster decision-making process and operations management.

In order to be more precise about human interactions in the social sector, leadership is an interesting mechanism to deal with and research on for the structuring and understanding of human interactions performance and impact in the social sector. Leadership means to coordinate an important number of people, leading them to effective and efficient operations and work activities. According to reference [3], the social sector is characterized by social leaders that have entrepreneurship competencies and others that do not. However, the social sector needs to be recognized as a sector that has excellent social leaders. Social entrepreneurship is considered as a mix of profit and non-profit organizations [3], and since the micro-financing sector also has the same structural mechanisms and processes, recognizing micro-financing leaders as optimal leaders is appropriate.

The characteristics of creating social value, innovating, and overcoming challenges in resources scarcities are the objectives of social entrepreneurship [4]. Although the literature on leadership in the social sector is a first basis and pillars for understanding the characteristics and processes of leadership in the micro-financing sector, the studies of leadership in non-profit organizations are also important and are a pillar on the study of leadership in this sector in general. For instance, the research of [5] present interesting practices for leadership and management in non-profit organizations. At a first glance, the micro-financing sector can be considered as both social and non-profit compared to these proper sectors. However, various other characteristics can be identified by advanced research.

For example, the micro-financing sector is a rich environment of leaders and leadership, but it lacks research and theories on this subject that can lead to developing it, its applications, and the micro-financing environment as a whole. Thus, the research paper is related to the leadership in the micro-financing sector because this needs to be further studied in order to identify and deepen the understanding of leadership in the micro-financing sector, as well as to further determine its characteristics. The aim of this article is to contribute to the leadership research of its actors and the leadership-based processes of interactions among the various types of people involved in this sector.
The next section presents more clearly what the micro-financing sector is, its recent trends and developments, and a literature review about leadership and its types and performances. The third section presents the research framework that consists of the reason behind the study of leadership in the micro-financing sector, which is to update the micro-financing human resources and management practices, and the research questions of the research. The fourth section presents the methodology of the research that is a case study research and the use of a questionnaire to have more data and information. The last sections present the study’s results, which led to the development of a dictionary of words on the subject of micro-financing leadership, discussions, and conclusions with theoretical and managerial implications.

II. LITERATURE

A. Leadership: Types and Performances

Leadership is a set of mechanisms and processes leading to optimal human resources and operations management. As Table 1 shows, there are various types of leadership as shown in. For instance, references [6] through research on behavioral types of leadership, four types of leaderships were confirmed: the directive leadership, transactional leadership, transformational leadership, and empowering leadership. There is various research studying transformational and charismatic leaderships [7]. From a relational perspective, the partnerships among leaders and collaborators are the transactional, transformational, and transcendental types of partnerships, and the author states that the chosen partnership by the leaders determines the performance behaviour of the collaborator. Also as shown in Table 1, reference [8] discusses the theoretical pillars of transformational leadership stating that there are weaknesses in the theories leading to a lack in leadership effectiveness explanation, and reference [9] presents the challenges and opportunities of leadership research, stating that there is a lack of inter-change among practitioners and academics in this field. It also discusses the important investigative factors, such as the strategic issues and the moderating effects of the situation.

<table>
<thead>
<tr>
<th>Types of leadership, characteristics and performance</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Behavioral types</td>
<td>[6-9, 12, 13]</td>
</tr>
<tr>
<td>Charismatic leadership</td>
<td>[7, 12]</td>
</tr>
<tr>
<td>Effectiveness and performance</td>
<td>[10]</td>
</tr>
<tr>
<td>Culture</td>
<td>[11, 14]</td>
</tr>
</tbody>
</table>

Also, reference [10] studies the leadership in teams and states that their effectiveness and performance outcomes are related to task-focused and person-focused behaviors. In their theory of leadership, reference [11] states that there is a difference among leaderships between the US and Japan; in other words, subordinates performance is more important in Japan than in the US. Reference [12] provides a theoretical background and framework of charismatic and transformational leadership, analyzing the evolution of these leadership types in the dimensions of leader and follower behavior, contexts, and the role of these leaderships. Also, reference [13] makes a rich multi-level analysis of the literature concerning the transformational leadership; it states that the research on leadership is lacking this type of research. The research of [14] studies the influence of merging culture, leadership, and organizations on organizational leadership. It finds linkages based on the managerial styles of the organizations, whether western, converging toward culture, or near-universality of leaders’ behavior.

According to reference [15], there is a lot of for-profit organization research. In this section, the literature is only one of few examples of it. However, there is still a lot to do concerning non-profit organizations, including the investigation of leadership in social and services contexts. Reference [16] provides an example of a research dealing with leadership in social contexts and reference [15] also presents leadership in human-service organizations, focusing on the link between performance and leadership. The aim of the paper is to present another important case of leadership in non-profit organizations while following this literature. The case concerns the sector of micro-financing, which deals with important social aspects of the environment through the support of humans that are overcoming poverty. The following section presents an overview of the micro-financing sector’s actual state of the art and its trends and development.

B. Micro-financing Sector: Trends and Developments of a Social and Entrepreneurship Sector

According to reference [17], the micro-financing sector is a social capital for innovation and a strategic social source of local development [18]. It is one of the most important pillars of poverty reduction and entrepreneurship empowerment. For decades, this sector has participated in the development of poverty and supports the poor in moving toward business development that in return provides means for economic development to various regions and nations worldwide. In order to continuously develop this social sector, the organization needs experts that have knowledge about the social sector, thus knowing its characteristics [1]. Also, reference [19] makes a study on the micro-lending beneficial stating that there are causes and consequences of business performance or failure; this depends on the MC borrowers’ behavior.

As shown in Fig. 1, the micro-financing sector as a social sector is the third sector in the economy. Social entrepreneurship is defined as the use of problem-solving and innovative solutions in the social sector for its high performance and sustainable development. As shown in Fig. 1, it is also a mixture of for profit and non-profit organizations [3], in which there is the use of
managerial and strategic systems. For instance, reference [20] develops on the role of information technologies in social development, stating that IT is one of its strategic tools.

There is also the research [21] on islamic micro-financing, which presents a method to develop the effectiveness of micro-financing. They state that the precedent processes of development are efficient. However, based on spiritual values, an integrated program is to be further devised to facilitate the development of the MF sector. Reference [22] presents a framework of a review of the MF sector in a developing country, which concludes that there are strengths as efficient access to rural population for MC services and high rates of repayment. For the weaknesses, there are the provisions of MC as grants without interest rates and the lack of diversification of MC products. Also, reference [23] presents the advancements in the micro-financing sector in India, stating that this sector is very important for the challenges faced by the banking institutions. Reference [24] presents a study on gender equalities in the provision of MC and states that as a result, both women and men as a result of similar MC services produce the same incomes.

At the network level of studies, an interesting basic research [25] on the linkage among entrepreneurship and social networks provide a model and concepts applied to the study of entrepreneurship. As shown in Fig. 1, various types of tie and boundary concepts [26] are used to end up with a new model of social entrepreneurship and networks. Fig. 1 summarizes the results of networking among the different sectors. Also, through the study of several case studies, the work of [27] states that societal transformation through social entrepreneurship is based on innovation, leadership, and social entrepreneurship. The research of [28] also studies social entrepreneurial leadership and proposes critical connecting propositions about entrepreneurship.

The research study of [29] states that multivariate methods need to be inserted in research about social entrepreneurship. It also states that in order to make strategic research on social entrepreneurship, various theories need to be used as contingency and innovation diffusion theories. Also, the research of [30] states that information and communication technologies are necessary in the micro-financing sector and present a case study of this, to follow methodologies, to achieve success. Also, according to reference [31], it is necessary to take international practices into consideration in order to continue building an optimal micro-financing sector. Also, they state that based on UNDP approach, the micro-credit support is following several strategic approaches and principles linked to the organizations of people, the cultures differences, the inter-organizational collaborations, and others.

III. RESEARCH FRAMEWORK

As shown in Fig. 2, in the micro-financing sector, there are two types of leaderships: the leadership concerning small and medium enterprises to create business and economic value in the environment and the leadership of the micro-financing institutions and fund-raisers providing the MC services. At the SMEs level, reference [32] research on leadership states that women entrepreneurs face constraints related to the culture and society, as well as that there is a need for professional training, network development, and creations. Also, reference [33] states that the leadership is very important to create trust, delegate, and provide direction for the micro-business successes. Also, the research of [34] presents the micro-financing as a strategic process for leadership creation coupled with the development of managerial competences. At the NGOs and MFIs levels [35] make research on impact of these latter on the development of SMEs, stating that NGOs play a major leadership role in providing adequate financial support, people for the MFIs, and making structural reforms in the micro-financing sector.
In this paper, the research focalizes on the study of the leadership in the micro-financing institutions and organizations providing MC services. More precisely the case presented in this article is related to an organization providing various types of MC services. Therefore, not only to the small and medium enterprises, but also to the organizations providing MC loans. To enable entrepreneurship of SMEs and MFIs institutions development, this organization is a governmental institution that provides policy measures, business and management training, and networking systems. As shown in Fig. 3, this center has direct links with both the micro-financing institutions and SMEs. This network structure engenders different leadership styles in the sector. At the network structure levels when compared to the ties occurring among the fundraisers, NGOs, MF institutions and SMEs, there is the formation of a network consisting of a mix of direct and indirect ties. Although, micro-financing has been a topic of interest in the micro-financing sector, there is still little interest given to the leadership in the micro-financing sector.

![Fig. 3 Links of the center with the other actors](image)

So the research frames the following research questions:

- What are the characteristics of leadership of the MF sector?
- How is the performance of leadership in the MF sector?
- What are the mechanisms surrounding leadership in the MF sector?
- What are the processes of leadership leading to high performance of the MF sector?

## IV. RESEARCH METHODS

The case study of this micro-financing organization is presented in order to investigate the leadership subject. The case study research methods [36, 37], are used for the development and presentation of the research context, units of analysis, and results. After a brief discussion concerning the IT-systems of the center in October 2012 during the first international congress on micro-financing held in Skhirat-Têmara, Morocco, in January 2013, the researcher started contacting the center for the research development about leadership. After this, as shown in Table 2, the questionnaire is devised from January to April 2013 using the recommendations of the managers of the center and questionnaires supports from websites of experts on leadership questionnaires, such as: www.samplequestionnaire.com, www.sagepub.com, and www.nwlink.com. Then in April 2013, the administration of the questionnaire started, meeting either face-to-face or via email. The administration of the questionnaire and follow-up on the respondents ended in June 2013.

The aim of the questionnaire is to identify the characteristics of the leadership in this centre of micro-financing, allowing the ability to understand the performance and to analyse its mechanisms and processes. The questionnaire is a structured questionnaire, consisting of our sections of open questions; Table 2 summarizes these sections. Following is a description of the content of the questionnaire:

- The basic section tries to identify the respondent’s profile, focusing on his/her years of expertise in the micro-financing sector, and whether it is his/her primary or secondary profession, as well as his/her position within the organization.
- The second section presents the characteristics of the leadership, which consists in the identification of the perception of the leadership by the respondent. For example, their opinions concern the importance of leadership for the professional development, the necessity of having a leader in the organization, or the efficiency of their leader in the management of the organizations. So, the first section of the questionnaire explains the vision of the employees, concerning the future leadership values and objectives.
- The third section focuses on the performance of the leadership in the organization. This section identifies the relation of the respondent to the leader, or in other words the type of relationship the leader has with the employees, whether or not they have freedom to innovate and propose their own ideas for management and operations, if the leader has influence over the employees, and whether his or her style of management lead to optimal operations.
- The fourth section aims at the identification of the mechanisms of leadership; if trust and trainings exist and whether they are used in an optimal manner. So, the section deals with the orientation of leadership, which is whether the leader makes good decisions under different circumstances, different leadership descriptions, and what makes a good leader.
The fifth section deals with the processes of leadership. For instance, there are questions concerning the means and methods used for leadership change and development, and for the identification of leadership traits and potential capacities in leading groups. So, the fifth section is related to the leadership processes as the leadership changes. The evaluation of the leadership, the capacities of leadership, and the methods are used to develop the leadership.

The research focus is on the administration of the questionnaire to the center of micro-financing’s most important employees. As shown in Table 3, the researchers could administer the questionnaire to four out of twelve people. The reason for this received number of respondents is either that their schedule was full and they were not available, or that the researcher did not consider their responses as necessary for the leadership subject, for instance the assistants and technicians. Also, the researcher sent a second call for the questionnaire by email, but they did not get more responses. In general, aside from the director and assistant of the director of the center the secretaries and the technical agents there are the responsibilities for professional training, the financial affairs, promotion of the information and communication technologies, economic studies and analysis, commercialization, and of the observatory of micro-financing.

<table>
<thead>
<tr>
<th>Table 2 Questionnaire Sections</th>
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<tbody>
<tr>
<td><strong>Sections</strong></td>
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<tr>
<td>Characteristics</td>
</tr>
<tr>
<td>Performance</td>
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<tr>
<td>Mechanisms</td>
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<tr>
<td></td>
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<tr>
<td>Processes</td>
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<tr>
<td></td>
</tr>
</tbody>
</table>

### Table 3 N. of Respondents to the Questionnaire

<table>
<thead>
<tr>
<th>Position</th>
<th>Respondents to the questionnaire</th>
<th>Position</th>
<th>Respondents to the questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
<td>No</td>
<td>Responsible of the commercialization</td>
<td>Yes</td>
</tr>
<tr>
<td>Financial affairs responsible</td>
<td>No</td>
<td>Responsible of the observatory of micro-financing</td>
<td>Yes</td>
</tr>
<tr>
<td>Information and Communication Technologies Responsible</td>
<td>No</td>
<td>Assistant of the director</td>
<td>No</td>
</tr>
<tr>
<td>Responsible of Economic studies and analysis</td>
<td>Yes</td>
<td>Secretaries</td>
<td>No</td>
</tr>
<tr>
<td>Professional training responsible</td>
<td>Yes</td>
<td>Technical agent</td>
<td>No</td>
</tr>
</tbody>
</table>

V. RESULTS

A. The Context of the Research: CM6MF

In the micro-financing sector, there are various types of actors and organizations ranging from non-governmental organization, national, and international institutions, micro-financing institutions, fundraising organizations, and of course the small and medium enterprises that are also creating value in this sector and in the economic environment in general. A governmental organization in the micro-financing sector dedicated to its development is the context of this research. Since its creation in year 2010, in order to participate to the sustainability of the sector, the center had the objective of providing services to the entire community of micro-financing institutions and to the small and medium enterprises. As shown in Table 4, its strategic role is to provide professional training to the employees of the micro-financing institutions, to devise and develop data and information systems, which enable information and knowledge management about micro-financing sector, and to provide support to the commercialization of the small and medium enterprises products and services.

Professional training has the specific objective of participating in the managerial and operational competences development of the human resources of the micro-financing institutions, to develop and conceptualize the micro-credit practices, and to transfer the micro-credit field know-how that is acquired. Therefore, it organizes seminars, workshops, and conferences about the different aspects of the micro-credit field. It also participates in knowledge sharing about the micro-credit with international institutions, it makes studies to determine the need of the professional training in this sector, it creates a database
on the national competences and expertise in this field, and it provides an MFI infrastructure for the organization of their professional training programs as shown in Table 4.

**TABLE 4 MAIN OBJECTIVES OF THE CENTER**

<table>
<thead>
<tr>
<th>Main objectives</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional training</td>
<td>Competences development, MF database on professional training, studies on the needs of PT.</td>
</tr>
<tr>
<td>Information systems</td>
<td>KMS development, scientific publication at disposal, multimedia space, catalogs, collaborative environment, events organization.</td>
</tr>
<tr>
<td>Support to SMEs products</td>
<td>Competences development, provision of logistical means, virtual marketplace, forums organization.</td>
</tr>
</tbody>
</table>

Concerning the information systems as show in Table 4, the center is developing a data and information system for knowledge management, it also makes available a selection of scientific books and journal references on the micro-financing field, a multimedia space to consult the audio-visual documents, and a MF field website. The center also creates bibliographies and catalogues about the MF field, tries to create a collaborative environment with research centers worldwide, plans to publish edited journals and books in the field, and organizes events to promote the MC field.

Concerning the support of the commercialization of SMEs products as show in Table 4, the center develops the capacities of the SMES to commercialize better their products and provide logistical means to present their products. The center is also becoming an interface among the entrepreneurs and the MF business network. It is creating a virtual marketplace for the presentation and selling of the products to customers, and organizes forums at the regional level for the product’s commercialization and exposition.

**B. Respondents’ Profiles**

As shown by Table 5, the results of the questionnaire provided interesting data and information about the leadership in this center. As shown by Table 6, the respondents’ answers to the questionnaire varied because of work activity differences, years of experience in this sector, and whether the job is their primary or secondary one. Also, the respondents have similar or different answers to the questions, but mostly they are different and do not intersect. This means that they have different opinions on leadership in this center of micro-financing, which lead to the conclusion that the perception of leadership differs from one role and work activity to the other, indicating that it is possible that leadership is thus unique to each work role type. These are the results derived from the first and second sections of the questionnaire.

**TABLE 5 DICTIONARY OF WORDS EMERGING FROM THE RESPONDENTS ACCORDING TO EACH TYPE OF PROFILE**

<table>
<thead>
<tr>
<th>Words and Concepts</th>
<th>PT</th>
<th>EA</th>
<th>MFP</th>
<th>MFO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Constructs of Leadership</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Characteristics</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Autonomy, perseverance, objectives achievement, IT, planning, visionary, anticipative, preventive, planning, not too much modesty, manage mentalities, logistical and housing problems, internet access permission, problem-solving, programs and plans, contracts, roadmaps, action plans, audacious, make decision.</td>
<td>Autonomy, harmonious, timing, action plans, communication, collaboration, respect, changes, projects, personality, professionalism, humanity, knowledge about groups.</td>
<td>Promotions, new work activities, development, change, innovation, sense of analysis, optimal management of groups, symposiums, studies, team building, new professional training, conflict management, solidarity creation, new ideas, action plan, decision-making, delays.</td>
<td>Innovation, success, equal opportunity, risk-taking, biased, good work, muslim principles of MF, equal opportunity, value creation, cost reduction, decision-making, participative decision-making, leadership agenda change, methodologies for problem-solving.</td>
<td></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
<td>Subordinate, suggestions, changes, professional, respect, initiative spirit, objectives achievement,</td>
<td>Subordinate, decision-making based on analysis, discussions and meetings, charisma, influence, make employees wok.</td>
<td>Subordinate, projects, experience, evaluation of projects, boosting projects, innovative meetings, discussions, leader unit, board members, vision, directives, no horizontal management,</td>
<td>Reflection, no spontaneity, listening, analyzing, acting and verifying, participative leadership, task management, value brought by employees, confidence, mutual trust,</td>
</tr>
<tr>
<td>Diagnoses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mechanisms</td>
<td>Charisma, communication, humanism, calm, support to the teams, coaching,</td>
<td>Symposium, experience, listening, capacities, information sharing,</td>
<td>Trust, experience, listening, capacities, information sharing,</td>
<td>Openness, humility, board members, financial institutions, experience,</td>
</tr>
</tbody>
</table>
C. Dictionary

The dictionary is a tool representing the most important words that emerged from the respondents to the questionnaire. These words are the factors and indicators of the characteristics, performance, mechanisms, and processes of leadership in this center of micro-financing. The content of this dictionary also creates a better understanding of leadership constructs. According to each profile, Table 5 presents the words and concepts emerging from the questionnaire responses. Comparing the words and concepts, the findings of the dictionary suggest there are few similarities among the various profiles in the perception of the characteristics, mechanisms, performance, and processes of leadership. Also, at the technological engineering level, the dictionary can help in the selection of different leadership profiles or in understanding the leadership styles of the profiles.

VI. DISCUSSION

The results of the study mainly state that there are different leadership styles according to the position and role of the employee, but in some cases the leadership style is the same. It is interesting to discuss the differences in the respondent’s perceptions of leadership. As shown in Table 7, the results demonstrate that there are generally various types of leaderships in the center. There is the transformational leadership that is relevant through the objectives of innovation, change, and evolution, and mentioned especially by the professional training and micro-financing promotion. Also, there is charismatic leadership clearly shown through the answers of the professional training and economic analysis, when mentioning that the leadership has influence on groups’ management and that charisma is what makes a leader. Besides, there is participative leadership mentioned when the leaders allow employees to provide new ideas and take them into consideration; the employees can bring value to the environment. This is mainly mentioned by the responsible of MF observatory.

<table>
<thead>
<tr>
<th>Respondent N.</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profile of the responsible</td>
<td>Professional training</td>
<td>Economic analysis</td>
<td>MF sector promotion</td>
<td>MF observatory</td>
</tr>
<tr>
<td>Years of experience</td>
<td>4-8</td>
<td>4-8</td>
<td>4-8</td>
<td>12-16</td>
</tr>
<tr>
<td>Primary profession</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Gender</td>
<td>Female</td>
<td>Male</td>
<td>Male</td>
<td>Male</td>
</tr>
</tbody>
</table>

There are also other leadership types. For instance, as shown in Fig. 4, the directive leadership is through the task management and groups management mentioned by all of those responsible in the questionnaire. Also, there is transcendental leadership stated through the fact that trust is important in work activities, but that the employee’s work is checked and verified by the leader; the MF observatory responsible first mentions it. According to the results of the questionnaire, there is also transactional leadership appearing in the MF promotion responsible answers, which state that the creation of partnerships is through practical approaches of decision-making. For example, the leader takes time to answer new partnerships requests. There is also reference to culture aspects of leadership mentioned by the responsible of MF observatory, which state that there
are the MF Muslim principles emerging from the first MF organizations in Bangladesh that are applied in organizational leadership.

The respondents to the questionnaires have various points of views concerning the effectiveness and performance of leadership. For instance, according to the MF promotion responsible, the leadership is able to provide tasks depending on the employees’ profile to reach optimal performance. Also, these responsible states that effectiveness of leadership is to control long-term task accomplishments and partnerships and that one needs to develop leadership characteristics in order to acquire communication skills. Also, as one of the most important aspects of leadership effectiveness and performance, mentioned by all the responsible, it is the training and coaching surrounding the center and the organization of events, which promote the MF sector, and the studies made to develop knowledge about this sector.

VII. CONCLUSIONS

The most important findings of the study highlights that there are different leadership types according to the roles and work activities within the institution, which show that it is a diversified environment that has its own identity. Also, effective performance and development result from leadership in this sector, as well as to the creation of optimal collaborations and management, both at the intra- and inter-levels of the organization. This is interesting conclusions and findings for the development of the micro-management and of the non-profit organizations.

To conclude, the paper has presented the leadership style of a micro-financing organization. Through the literature review, the research framework, and the results, the paper provides interesting information concerning leadership in this social sector and derives a multi-factor dictionary on leadership. Therefore, concerning the implications to theories and management, the following is derived:

1. This research contributes to the research on the leadership in the non-profit organizations and micro-financing sector at the theoretical level, providing their leadership styles. It also contributes to the literature on leadership in organizations in general, adds research in micro-financing literature, and to the research on organizational sciences.

2. At the managerial level, an interesting case study is presented by the research that can be used for the development of leadership in non-profit organizations and micro-financing sector. The main guidelines that can be provided from the research is that it is necessary to consider different leadership styles according to each work activity and human resource profile, and that one unique leadership in entire organization can be harmful. More specifically, here are the guidelines:

   • Because the activities are related to change and evolution, transformational leadership can be used for work activities concerning professional training and competences development.

   • Charismatic leadership can also be used in professional training since these activities are related to a relationship among trainers and trainees, and for the activities related to research and development of the important impact these activities have on problem solving.

   • Participative leadership can be used in the work activities related to observing the evolution of behaviors, processes and mechanisms since there are many types of organizational, processing, people, and system implications in these activities.

   • Transcendental leadership can be used in the activities of observatory again since through observation, these activities can provide solutions and innovative ideas for better development, or for the creation of new methodologies.

   • Transactional leadership can be used in activities related to commercialization and business networking since it includes collaborations and partnerships activities.
VIII. FUTURE RESEARCH

Based on the results of the study, in the future it is possible to further develop the leadership in non-profit organizations through the comparison of this research with case studies in other sectors; comparisons can also further develop the social sector. Also, the dictionary of words is a first step toward the development of a first edition of a dictionary on leadership in micro-financing. Both practitioners and academicians can use this dictionary for a better understanding and discovery of leadership in micro-financing. The dictionary can then be digitalized, serving as a support to the development of an IT translation tool about leadership in the social, micro-financing, and non-profit sector.

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