

## The Role of Management by Exception in Achieving Entrepreneurial Leadership

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**Abstract:** The aim of this study is to highlight the role that management by exception plays in achieving pioneering leadership and the survival and growth of institutions and trying to increase their effectiveness and performance in light of the great challenges they face. The importance of management is characterized by adding value to the institution, creating a competitive advantage, making the institution more flexible, and adopting the forms of coordination, designing and structuring. The problem of the study is represented in this question: is the application of the concept of management by exception leads to entrepreneurial leadership in business organizations? The study showed that the entrepreneurial leadership has the ability to influence workers and the performance of institutions. Based on the principles and the basis of modern leadership and management, it is possible for organizations to achieve proactive entrepreneurship among other organizations. by applying entrepreneurial leadership and sorting out the appropriate decisions

**Keywords:** management by exception, entrepreneurial leadership, entrepreneurship

### Introduction:

Organizations in recent times are facing changing and complex environmental conditions with increasing uncertainties that have become the outstanding features of this era. This requires the need for the organization to have huge capacities capable of coping with the factors affecting its performance. For sustainability and growth purposes, human resources that own innovative entrepreneurial characteristics must be available. In addition, the availability of the organization's entrepreneurial requirements so as to achieve its desired objectives and continues in the business world with distinction and success. <sup>(i)</sup>

In the light of all these changes, the organizations have been forced to adopt the administrative principles and the leadership methods to achieve entrepreneurship. The most important of these administrative principles is the principle of (MBE), through which precise authorities and responsibilities are determined, maximum utilization of time, scientific and precise evaluation of employees' performance and the comparison between the planned and the realized achievements. Based on this principle, entrepreneurial leadership can be achieved.

### **The problem of the study:**

The problem of the study implies in answering the following main question:

Does applying the concept of MBE lead to achieving entrepreneurial leadership in business organizations?

The problem of the study can obviously be demonstrated by raising the following questions:

- 1 - What is the MBE and what is the entrepreneurial leadership?
2. Do the characteristics of the management by exception affect achieving the entrepreneurial leadership?
- 3 - How to apply the concept of MBE and achieve entrepreneurial leadership in business organizations and what hinders implementation?
- 4 - What is the impact of their application on business organizations?

### **The importance of the study:**

The importance of the research emerges from what it can contribute in clarifying the theoretical frameworks of both topics. The MBE is a modern concept which requires from the business organizations to be aware of its elements and to capacitate entrepreneurial leaders through whom it can achieve its objectives. So, the application of the concept of MBE and entrepreneurial leadership, realizing harmonization between them and the resulting benefits are of great importance to be searched and studied.

### **Objectives of the study:**

- 1 - Recognition of the concept of MBE and its role in achieving entrepreneurial leadership.
- 2 - Identify the extent of integration between them and what hinders their application.
- 3 - Identify the effect of the application of MBE and entrepreneurial leadership in business organizations.
- 4 - Provide database for researchers interested in the subjects of the study.

### **Research Methodology:**

This research is based on the descriptive approach. It is heuristic study that depends on logical literature review and cabining logical consequences

#### **First: Administration by exception:**

##### **1. The concept of Management by exception:**

MBE is an administrative principle or policy under which management allocates most of the time to search for situations that have different results from what has been planned or foreseen. This principle is that managers can't supervise all activities of the organization and should focus their capacities on most important things.

### 1.1. What is the Management by exception?

There are many definitions of MBE in the management literature, but they agreed in terms of the meaning, and the most important of these definitions are:

It is defined as a technical method of management that enables managers to focus their attention on the most critical areas of control in the firm and allows lower-level employees to accomplish different routine works.<sup>(ii)</sup>

It is also defined as a general term used to describe the process of providing management with information of only significant deviations from budgets or plans are reviewed as a basis for remedial actions. The objective of this is to downsize of the details included in the management reports and statistics to a few data that decision-making could be based on.<sup>(iii)</sup>

It is an administrative approach that illustrates the relationship between the administrative levels in the organizational structure so that they are governed by a precise definition of powers and responsibilities. Thus, the functions of each level are determined and left to perform activities without intervention from the higher administrative level unless significant deviations are made on the path of achieving the planned objectives.<sup>(iv)</sup>

The MBE is a principle of reciprocal leadership which means that the leader must not interfere in the work unless he notices deviations of the subordinates from the established rules and standards, and the intervention of the leader should only be focused on correcting the deviations or to make the employees achieve the required levels and standards.<sup>(v)</sup>

It is clear to the researcher that the MBE is an administrative method based on the mutual understanding between the president and his subordinates on the implementation of the work, in agreement that the president shall be only informed by exceptional matters that deviate from the defined standards as prescribed and planned.

### 1.2 - The importance and advantages of the MBE:

The importance of management is that: managers cannot supervise all activities in the organization. So, they must concentrate their energies on the most important issues, and not to devote most of the time to search for situations that have different results than planned or predicted, and leave the routine work to the staff as long as it is according to standards, without any deviation. This enhances the confidence of the subordinates and motivates them to perform in accordance with the standards, also motivates them to innovate and create new methods of work acquired by experience, practice and sense of independence, although the task of management usually requires attention to topics of more importance such as: setting strategies and work systems in the firm, which is done by the means of decision support and methods of experience. The manager has to apply the principle of MBE and rely on it, because it finds a way out that helps him to ease the workload and manage his time more and reduce the exhaustion of his nerves.

The most important advantages of the MBE is the following: <sup>(vi)</sup>

- A. The Director or the President shall discharge the important non-routine work in order to give it due attention to the most important matters
- B - Save the lost effort in making routine procedural decisions that can be programmed and assign their application to subordinates according to their abilities.
- C) Exploit the time of both presidents and subordinates, as each team focuses on the work it performs perfectly.
- (D) Providing the opportunity for subordinates to act within defined limits and similar situations or that differ from those limits.
- C - The high morale of the subordinates for not having to go back to their superiors in all small or huge works.

### 1.3. Characteristics of MBE :

The characteristics of the MBE are the following: <sup>(vii)</sup>

- 1 - Delegation of power and determine its limits through the desire of the Director and his ability to delegate part of his power to his subordinates.
2. Setting criteria to define the cases where the decision exceeds the limits of power granted to subordinates to be referred to higher references in the organizational structure for decision-making.
3. Ability and skill to distinguish between decisions in ordinary and extraordinary cases.
- 4- Diversifying the decision-making centers to be divided by specialization and administrative level.
- 5 - Training the presidents and subordinates at all levels of management to gain experience and skill in identifying ordinary and extraordinary matters.
- 6 - Establish an effective communication system to improve the quantity and quality of information needed between the administrative levels, and to build confidence and raise the morale of the employees in the firm.
- 7 - The MBE requires establishing an accurate monitoring system to record deviations and highlights the exceptional cases and how to deal with them.

It can be said that MBE provides an opportunity and time to think and plan new projects and programs of different quality, it is an advanced management style based on trust, credibility and self-control that empowers the president and subordinates to participate in decision-making and self-realization.

### 1.4. Requirements and how to apply MBE:

The concept of MBE increases the level harmony between the president's and his subordinates. This is because mutual understanding between them reduces the level of conflict of ideas. The most important requirements for the success of the MBE are the following:

1. Delegating power, empowering employees, developing the culture and modes of self-monitoring.
- 2 - Confidence of the managers on subordinates at all levels of management.
- 3 – Provision of expertise and know-how among the presidents to be able to choose what they can delegate to their subordinates.
- 4 – Provision of the skill and ability required to the staff to carry out the tasks assigned to them.
5. A good information system is in place to prepare sound plans and identify exceptions.
6. Excessive work to rectify the exceptional cases.

There are several points to consider when applying the principle of MBE: <sup>(viii)</sup>

- 1 - Understanding the abilities of the employees and their desires and willingness to work and their ability to act without reference to their superiors.
- 2 - Clarity of the performance standards that the employees are expected to meet.
3. Train the workers on their work and prepare them mentally to apply this principle.
4. Having a good information system that provides workers with the data they need to facilitate work.
- 5 - There is a clear manual of procedures according to the types and how to apply it.
- 6 - Monitor the performance of employees and ensure the appropriateness of the MBE module to their abilities and motives.
- 7 - Pay attention to differences or deviations that occur in the performance compared to standards.
8. Intervene in the time when exceptional cases occur or make appropriate decisions.

## **2- Elements of MBE:**

There are many elements of MBE as a result of application or areas of use or difference in the views of researchers. We will focus on common variables (determination of responsibility and power, delegation of power, time management, performance evaluation and correction of deviations).

### **2.1 Determination of responsibility and power:**

The power is the right to make decisions that govern the actions of others, namely the right to act and take decisions and issue orders, whether these orders are related to doing or refrain from, and responsibility is the burden or commitment that the person bears in return for the acquisition of some power. It is a good and important principle in management and organization.

The most important theories of power are : <sup>(ix)</sup>

- (A) The theory of official power, ie, the person derives his power from his official position in the administrative organization
- B - The theory of power by acceptance which represents a relationship between two parties where one of them accepts the decisions and orders issued by the other.

(C) The theory of power by knowledge and efficiency, ie, the power to be given to a person as a result of his knowledge and competence.

It is the organizational structure that determines the type of power, the type of relations, communication lines between units, lines between the president and the subordinates. The power is divided into three types:

(A) Direct executive power, which is the power to make decisions directly related to the accomplishment of activities and tasks to achieve the objectives that directly contribute to enhance the competitive position of the organization;

(B) Advisory power which is represented in providing advice, consultancy and support to the managers of direct executive power.

(C) Functional power which includes the right to give orders by a particular official who has no inherent natural permanent right to perform such power.

## 2-2 Delegation of power:

Delegation of power means granting the third party (the delegate) the right to act and take decisions within a specific scope and to the extent necessary to accomplish a specific task, a time procedure carried out by the director in order to alleviate the burdens laid on him, by giving others the powers to act and take appropriate decisions in regard to specific and definite matter. The most important features of the delegation are the following:

1. The delegation is a time procedure, in the sense that it is specific in its duration.
2. The purpose of the delegation procedure is to minimize the burden on the Director.
3. The delegation provides the time factor for the Director.
4. The delegation is specific to certain powers, and is not comprehensive.
5. Delegation issued by those who have this right, and therefore there is no delegation to those who have no right to take.

The delegation is also subject to a set of conditions:

1. Linking power to responsibility.
2. Linking delegated power to the subordinate's abilities and experience.
3. The continuity of responsibility of the Director who delegated his power to some of his subordinates.
4. The delegation is an interim procedure.
5. The delegation must be specific in terms of the extent of the power and the areas of use.

The delegation system has many advantages:

1. The mandate relieves the burden on the Director.
- 2 - The delegation system is a great opportunity to provide cadres capable of management and leadership.
3. Delegation is one of the most important means to motivate employees.

4. Delegation provides a type of management that has the ability to control other matters.

There are some disadvantages of the process of delegating power: <sup>(x)</sup>

1. Loss of control because the manager is familiarized to do himself to accomplish everything while maintaining full control over all areas.
2. The loss of time as the manager who usually does the job himself, believes that delegating some tasks to another employee is only a waste of time.
3. Loss of control and influence, when the manager declines from performing some work for someone else, he feels that he will lose his power and influence over his subordinates.
4. Loss of reward and appreciation: the manager feels that he will lose all the appreciation and rewards that he was getting when doing his own work:
5. Fear of blame: The manager is afraid to be blamed if the delegated person does not perform the work well.

### 2-3- Time Management:

Time is real capital, an important resource of management, and time management is the science and art of using time effectively. It is an essential element of effective management. It is the ability to do business in a coordinated, organized and efficient manner and achieve goals at the lowest cost. <sup>(xi)</sup>

To ensure effective management of time, it is necessary to follow the integrated steps to achieve time management:

1. Determine how to use the time (recording time).
2. Determine the time allocated to identify the problem, its causes and the proposed solutions.
3. Conduct periodic assessments for resources and requirements to determine the goals and priorities.
4. Develop plans to achieve and implement the objectives through the daily work program.
- 5 - Work on the development of plans for time management, follow-up and periodic analysis of the results.
6. Re-planning.

The importance of time management is that: it helps to: <sup>(xii)</sup>

1. Good, effective and clear identification of steps and prevention of inconsistencies in between.
2. Sense of overall responsibility for the project.
- 3 - The integrity of planning that takes into account the value of time.
- 4 - The integrity of flexible organization that comprehends developments and aspirations of individuals.
5. Avail wider fields for individual initiative and personal creations.
6. Integrity of positive attitude.

To ensure successful time management, certain steps should be followed: <sup>(xiii)</sup>

1. Relax and Remain Composed
2. Maintain a time plan or work program.
3. Prepare a list of daily achievements.
4. Most Important Things First
5. Delegate Assignments.

#### **2-4- Performance evaluation and correction of deviations:**

Performance evaluation is defined as the process through which the positive and the negative aspects of achieving objectives and target performance rates are identified. The main objectives of performance evaluation are: <sup>(xiv)</sup>

- 1 - Provide performance information for the benefit of the individual and the organization.
- 2 - Identification of strengths and weaknesses and results and their causes.
- 3 - To raise the level of performance of employees and invest on their capabilities and potentials and to help them to progress and develop.
- 4 - Identify how the performance of the employee is, in a scientific and objective manner.
- 5 - Helps individuals to assess their performance and define their shortcomings, giving them the opportunity to avoid them in the future.

Performance evaluation is characterized by the following characteristics: <sup>(xv)</sup>

1. Performance assessment is an ongoing process that accompanies the individual throughout his or her career.
2. The assessment process requires the presence of a person who observes and monitors performance continuously so as the measurement be objective and perfect.
3. The measurement process requires the existence of performance standards to be compared to the performance of the employee and judge the efficiency.
4. Measuring and evaluating performance based on the personal opinion of the evaluator and thus there is a high probability of bias and nepotism.
5. The results of the measurement process helps in making critical decisions related to the employee, so the evaluation must be objective.
6. All staff at all levels of management are subject to the performance appraisal process and the aim is for all to feel the integrity and fairness of the measurement system.

For the success of the performance evaluation process effectively, the following conditions must be fulfilled:

<sup>(xvi)</sup>

- 1 - Accuracy in the selection of the characteristics or the factors that relate in way or another to the adequacy of the individual and the effectiveness of his performance.



- 2 - The need for coordination and cooperation between the different administrative levels in the organization when choosing the appropriate method of evaluation.
- 3 - Determine the models and designs necessary for the evaluation process clearly so that the supervisor uses them easily.
- 4- Inform employees of the results of the evaluation and discuss that with them.

During the process of correcting the deviations and follow-up of the implementation process, the administration begins to study the different alternatives to rectify the differences and correct the deviations and compare these alternatives in terms of their advantages and disadvantages and the possibility of implementation and choose the most appropriate one, so that the deviations are corrected and eliminate the problems and obstacles that hindered the implementation. So, it is not enough for the administration to determine the magnitude of deviation, but should demonstrate the implementation practically in preparation for its application and prepare for its success in terms of providing the necessary material resources or access to raw materials and equipment required or search for the appropriate competencies required by sound implementation. Finally, we must make sure that the solution applied had actually rectified the problem and corrected the course of the plan and it was built on a sound basis.

## **Second: entrepreneurial Leadership:**

It is about organizing a group of individuals to achieve a common goal by using entrepreneurial behavior through improving risks, innovation to take advantage of opportunities, personal responsibility and managing change within a dynamic environment in favor of the institution. Entrepreneurial leadership effectively utilizes the skills of successful entrepreneurs and applies it to the wider institutional environment. <sup>(xvii)</sup>

### **1 - The concept of entrepreneurship:**

#### **1.1 - Definition of entrepreneurship:**

Entrepreneurship means performing exceptional activities to meet the needs of businesses and customers by discovering opportunities and exploiting it with a proactive mindset and adopting the catered for risk to gain profit. <sup>(xviii)</sup>

It is the process by which individuals are conscious of the opportunities to satisfy the needs and then collect and use resources to meet these needs. <sup>(xix)</sup>

It is a pioneering process to launch a new project based on the concept of entrepreneurship and innovation by identifying market opportunities. <sup>(xx)</sup>

In the light of the above definitions, entrepreneurship is to know the available and sufficient practical opportunities and to create, establish or expand profit-oriented economic organizations (time, effort and

money) and to mix innovative, creative and risk-taking elements with hard work and appropriate and rational use of resources.

### **1-2 - The importance of entrepreneurship and its benefits:** <sup>(xxi)</sup>

Entrepreneurship is a phenomenon worthy of attention and care due its great importance in the development sought by different societies. Entrepreneurship is of great importance not only at the level of the organization, but also at the macroeconomic level and also for any organization aspires to reach the leadership in its field of business. The most important benefits of the entrepreneurship are the following leadership:

1. Independence and non-reliance on the jobs of others.
- 2 - Opportunities for excellence, maintaining greater achievements and achieving maximum aspirations.
- 3 - An opportunity to achieve profits and huge gains.
- 4 - An opportunity to contribute in serving the society by encouraging industrialization, whether for domestic consumption or for export.
5. Self-employment, creating job opportunities for others, increasing income and increasing economic growth.
- 6 - Reduce the migration of competencies by providing a climate conducive to entrepreneurship, locally.

### **1-3- Entrepreneurship Strategies:** <sup>(xxii)</sup>

Business strategy is defined as the strategy by which organizations develop and exploit their current competitive advantages and support entrepreneurial work by exploiting the opportunities that help create the competitive advantage of the organization in the future. The strategy of leadership is the integration of entrepreneurship (pursuit of opportunity) and strategy (pursuit of advantage) and different points of views of designing and application of entrepreneurship that creates wealth.

There are six basic processes to become a standard strategic practice. These processes include improvement, adaptation, reform, innovation, experimentation and time override. The entrepreneurial strategies are to identify opportunities, prepare to exploit them, accept and manage risk and coordinate resources to create competitive advantage.

According to the above, the entrepreneurship strategy can be defined as the strategy adopted by the organization which encourages one dimension or a set of dimensions of the entrepreneurship strategy (such as creativity, innovation, discrimination, risk acceptance and pioneering) to compete and adapt to the environment. The entrepreneurship strategy is set by a thankful person whom focuses on opportunities and secondary problems and major and minor decisions aimed at the development of the organization. <sup>(xxiii)</sup>

#### **1-4 - Entrepreneurship roles:**

The entrepreneur is a non-traditional person, doing business in a distinctive and innovative way. A successful entrepreneur shows a high ability to understand his surroundings and deals with others positively, investing his best abilities to achieve the entrepreneurial concept of the company. There are ten principal roles entrepreneur seeks to achieve: <sup>(xxiv)</sup>

1. Entrepreneurs conduct work that is fundamentally different from what others do.
2. Entrepreneurs are creative and innovative.
3. Recognize and invest opportunities.
4. are skilled in forming networks of relationships with others.
5. Able to cope with unexpected events.
6. Provide resources for investment on opportunities.
7. They can manage risk
8. They have control over their businesses and companies.
9. Put their customers at the top of their priorities.
10. They create the capital they need.

#### **2-Entrepreneurial leadership:**

Entrepreneurial Leadership has been defined as the ability to influence others strategically to manage resources in order to emphasize the impact on the behavior of both seeking opportunities and seeking advantage and value. <sup>(xxv)</sup>

##### **2-1-The importance of entrepreneurial leadership:**

Entrepreneurial leadership is considered as one of the most vital components in the process of economic growth and development. Its importance is shown in the following points: <sup>(xxvi)</sup>

- 1 – It is the mechanism by which the community can convert technical information into goods and services.
- 2 - Leading entrepreneur leaders lead the process of innovation in goods, services and processes.
- 3- It is the decisive tool to push for change in the societies as general.
4. The role of entrepreneurship is not limited to the discovery and transformation of technology, but to change the shortcomings or inefficiencies in the economy in terms of time and zone.
5. Entrepreneurial leadership is a crucial factor for creating vitality and innovation in the organization.
6. It is a mean to develop business, increase returns, enhance profitability and add value.

## 2-2-Entrepreneurial Leadership Characteristics:

The characteristics of entrepreneurial leadership are taking business-related risks, to preferring change and innovation to win competitive advantages, and the entrepreneurial leadership is driven to compete vigorously with other organizations.

There are three characteristics of the leading entrepreneurial leadership which are as follows:

1 – The vision: it is the most important assets for the entrepreneurial leader. Here the entrepreneurial leaders must be engaged in a kind of transformational leadership, which aims to create something new in a way that contributes to change their reality.

2- The will and the perseverance: they are the two most important reasons for the success of the project, as they require a kind of patience and physical strength and the desire to work for long hours.

3-Commitment to providing what is best: There is no doubt that dealing effectively and successfully with a set of elements for entrepreneurial work requires commitment to what is best.

The characteristics of entrepreneurial leadership are taken from the requirements of entrepreneurship and its components and how to coordinate these requirements with the situations facing the entrepreneurial leaders and make the right decision for them, because changing situations and confrontations leads to change in the decision, and thus lead to change the quality of characteristics that are available in entrepreneurial leadership at that moment.

## 2-3 - Entrepreneurial organizations:

Entrepreneurial organizations are those that have the capacity to innovate and focus on managing strategy in improving performance. It is an organization that is able to find something new and valuable in a timely manner, and that the entrepreneurial organization must have three basic elements which are: <sup>(xxvii)</sup>

1. Entrepreneurial individuals without whom there will be no creativity.

2. Organizational dimension related to vision, trust, idealism, creativity, internal control.

3. The environmental dimension related to diversity in the markets.

There are many characteristics of the entrepreneurial business organizations:

1. The Vision and the organizational climate: It has a clear vision and the necessary support for its survival.

2. Market orientation: Knowledge of the market is important for driving innovation.

3-A small organization with an extended structure: Many large organizations try to create multiple small projects within the parent organization.

4. Multiple entries: The old ideas can be a good source of the first multiple entries and can be a powerful solution to the new problems.

5. Interactive learning: is the learning and the realization of ideas across the traditional functional lines, which are generated within the creative environment.

6. Non-traditional work groups: Highly creative business organizations use functional groups outside traditional lines of power, giving them an opportunity for change.

### **3-Elements of the entrepreneurial leadership:**

The entrepreneurial Leadership is the ability to make optimal use of leadership, management and personal capabilities such as strategic vision, creativity, responsibility to take risks, proactive and initiation. <sup>(xxviii)</sup>

#### **3-1 Creativity:**

Means re-shaping or re-creating new ideas to come up with something new, and a solution to a problem or a new idea is reached and applied. Creativity takes many forms that are compatible with the outputs that come from the creative process.

The process of creativity is characterized by the following : <sup>(xxix)</sup>

1. Ability to discover new relationships.
2. Linking and disclosing new and old relationships.
- 3 - Creativity is able to look at things from a different angle.
- 4- Creativity is subject to transition and application.
- 5 - Creativity is a theoretical and experimental science and not final.

#### **3-2. The Strategic Vision:**

The vision is to identify the future ideas of the organization, which reflect the vision of the administration of the organization to the results of environmental analysis, and then employ the internal strengths to exploit the advantages and opportunities within the environment. There are requirements to ensure the effectiveness of the strategic vision: <sup>(xxx)</sup>

1. The organization and its administration's capacity to initiate.
2. Adopting the scientific methods of prediction, free thinking and brainstorming.
3. Strategic orientation and adaptability.
4. Adopting strategic and operational planning methods that invest the results of the strategic vision.

#### **3.3. The risks:**

The risk is to accept situations that characterized by uncertainties, namely, that the entrepreneur takes the risk of introducing new products on the market, taking into account the risks of uncertainty in the market. The types of risks faced by the organizations are divided into three categories: <sup>(xxxi)</sup>

1. Risk of work: means the risk in the unknown without knowing the probability of success.
2. Financial risk: It means the organization is borrowing heavily or committing to use a large amount of its resources.

3. Personal risk: refers to the risks that executive managers make by taking a well-prepared position in their strategic direction.

### 3-4-Proactive and Initiation:

Proactiveism is one of the most important characteristics of entrepreneurial organizations, which involves the desire of senior management to be the first organization to respond to the needs of customers and to meet their needs and desires according to the best. The initiation is to participate in the problems of the future, needs and changes, the ability to take a higher risk than the environmental conditions facing the organization. It includes three basic elements: <sup>(xxxii)</sup>

- 1 – Deciding whether to pursue creativity competitors or not.
- 2- The trade-off between the real attempts of growth, creativity and evolution.
3. Trying to cooperate with competitors in order to restrain them.

### Third: The relationship between entrepreneurial leadership and management by exception:

There is a positive relationship between the entrepreneurial leadership and the discovery of innovations and exploitation on the performance of the new project. In addition, the presence of entrepreneurial leadership influence on the performance of the new project, not only affect the organization of the project, but it goes beyond to achieve outstanding performance. The roles related to the program contributions have had an impact in the development of entrepreneurial leadership competencies. <sup>(xxxiii)</sup>

The entrepreneurship education programs play a prominent role in the development of entrepreneurial leadership skills. The successful requirements of management by exception are the delegation of power and empowerment of employees, the development of the culture and the method of self-control and the trust of the managers on their subordinates at all levels of management. <sup>(xxxiv)</sup>

The expertise and know-how of the chairpersons enable them to choose what they can delegate to their subordinates, provide the skills and the capacities of the staff to carry out their assigned tasks, have a good information system to prepare sound plans and to identify exceptions and to deal with exceptional cases. <sup>(xxxv)</sup>

The evolution of business requires the development of ideas where the idea of management by exception helps to maintain time and concentration of the executive effort. Also, in some tasks, time is an important factor and requires individuals capable of dealing with the pressures of work, able to organize information flow, identify the strategy and bond by the plan of action. The person who focuses on important things is more useful than who does every possible thing. In cases where speed is an important factor, the tasks associated with a critical date require entrepreneurial individuals capable of dealing with the pressures of work, able to organize information flow, identify the strategy and bond by the plan of action. When it comes to developing a certain employee's capacities in the field of technology or finance, but he has never

played a leadership role before, he could benefit, significantly, from the leadership opportunity offer. (xxxvi)  
(xxxvii)

To sum up it can be stated that MBE is a vital process in achieving proactive entrepreneurship within organizations. The most important element showed in the present study is the way by which employees and institutions get influenced and awarded by MBE steps and their real implementations to achieve an acceptable level of entrepreneurial leadership within the different organizations.

### Conclusion and Study Results:

1. Based on the principles and the basics of the contemporary leadership and management, it is possible for the organizations to achieve proactive entrepreneurship within organizations.
2. The characteristics of management by exception affect the realization of the entrepreneurial leadership.
3. The study was able to build a conceptual framework for entrepreneurial leadership and management by exception.
4. The study was able to identify clear steps to implement the concept of management by exception and to achieve entrepreneurial leadership in business organizations.
5. There is a reciprocal relationship between the elements of the entrepreneurial leadership and management by exception.
6. The entrepreneurial leadership has the ability to influence employees and institutions.
7. Management by exception relies on adopting a positive behavior towards problems assessment.
8. The entrepreneurial leadership effectively utilizes the skills of successful entrepreneurs and applies that to a wider institutional environment.

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### ملخص الدراسة :

هدفت هذه الدراسة إلى إبراز الدور الذي تلعبه الاداره بالاستثناء في تحقيق القيادة الريادية وبقاء ونمو المؤسسات ومحاولة الرفع من فعاليتها وأدائها في ظل التحديات الكبيرة التي تواجهها ، حيث تبرز أهمية الادارة بالاستثناء من خلال إضافة قيمة للمؤسسة وخلق ميزة تنافسية وجعل المؤسسة أكثر مرونة ، واعتماد أشكال التنسيق والتصميم والهيكلية ، وتتمثل مشكلة الدراسة في السؤال هل يؤدي تطبيق مفهوم الإدارة بالاستثناء الى تحقيق القيادة الريادية في منظمات الأعمال وأظهرت الدراسة ان القيادة الريادية لها القدرة على التأثير في العاملين وفي اداء المؤسسات واستنادا الى المبادئ والأسس الحديثة في القيادة والإدارة يمكن ان تحقق المنظمات الريادية الاستباقية بين المنظمات. من خلال تطبيق القيادة الريادية وتفصيل القرارات المناسبة.

الكلمات المفتاحية: الادارة بالاستثناء ، القيادة الريادية ، الريادة .

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