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ISSUES TO BE CONSIDERED DURING DEVELOPING LEADERSHIP SKILLS

Summary. *The success of any company over the long term, among other factors, depends on management skills and competence. This research also addresses the issue of leadership, in particular in article is described: essence and theoretical foundations of leadership (The great man theory, The trait theory, Behavioral Approach, The situational theory of leadership, Path goal theory, LMX theory, Transformational Leadership, Authentic leadership, Adaptive Leadership etc.), skills which are needed for effective leadership and issues which should be considered during developing these skills*

Key words: *Leadership, CEO, Personnel Management*

Introduction. Each company's success depends on its CEO's skills and competence. If CEO has leadership skills, significantly increases company's competitive advantages. Leadership skills are necessary for the successful management. Management can be defined, as mental and physical process, which is performed out together with staff by delegating responsibilities. Leadership is a process by which a person influences the members of the group, and forwards them to a certain goal. CEO at the same time should be an effective manager and leader. Given topic explains what is leadership, what skills are needed for the manager, to be effective leader (Perspectives vision, insight, self-confidence, courage, intuition, communication skills, realism etc) and how can he/she improve these skills.

Purpose. The purpose of the study was to determine what skills and qualities a manager needs to be an effective leader and how he or she can develop these skills. To achieve this goal, we set out the following tasks: To investigate the essence of leadership, Theoretical foundations of leadership, Skills needed for effective leadership, Explore the qualities needed to implement effective leadership, find ways to develop leadership skills and qualities.

Results.

1.The essence and theoretical foundations of leadership

To determine what skills are needed and how to develop them to become more effective leaders, we must first determine what is leadership. Main Theories related to leaderships are following:

- The great man theory: The great man theory of leadership states that some people are born with the necessary attributes that set them apart from others and that these traits are responsible for their assuming positions of power and authority. A leader is a hero who accomplishes goals against all odds for his followers.

- The trait theory: The trait theory of leadership is an early assumption that leaders are born and due to this belief, those that possess the correct qualities and traits are better suited to leadership. This theory often identifies behavioural characteristics that are common in leaders

- Behavioral Approach: The style approach emphasizes the behavior of the leader. This distinguishes it from the trait approach, which emphasizes the personality characteristics of the leader, and the skills approach, which emphasizes the leader's capabilities. The behavioral

approach focuses exclusively on what leaders do and how they act. In shifting the study of leadership to leader behaviors, the behavioral approach expanded the research of leadership to include the actions of leaders toward followers in various contexts.

- The situational theory of leadership: The situational theory of leadership refers to those leaders who adopt different leadership styles according to the situation and the development level of their team members. It is an effective way of leadership because it adapts to the team's needs and sets a beneficial balance for the whole organization.

- Path goal theory: Path goal theory of leadership is about how leaders motivate followers to accomplish designated goals.

- LMX theory: Leader– member exchange (LMX) theory take approach and conceptualizes leadership as a process that is centered on the interactions between leaders and followers. LMX theory makes the dyadic relationship between leaders and followers the focal point of the leadership process.

- Transformational Leadership: Transformational leadership is part of the “New Leadership” paradigm, which gives more attention to the charismatic and affective elements of leadership. As its name implies, transformational leadership is a process that changes and transforms people. It is concerned with emotions, values, ethics, standards, and long-term goals. It includes assessing followers’ motives, satisfying their needs, and treating them as full human beings

- Authentic leadership: Authentic leadership represents one of the newest areas of leadership research. It focuses on whether leadership is genuine and “real.” As the title of this approach implies, authentic leadership is about the authenticity of leaders and their leaders

- Adaptive Leadership: As the name of the approach implies, adaptive leadership is about how leaders encourage people to adapt—to face and deal with problems, challenges, and changes. Adaptive leadership focuses on the adaptations required of people in response to changing environments.

Each of the above theories contains an element of truth, although not one of them is perfect. There are many ways to finish the sentence “Leadership is . . .” In fact, as Stogdill (1974, p. 7) pointed out in a review of leadership research, there are almost as many different definitions of leadership as there are people who have tried to define it. It is much like the words democracy, love, and peace. As Peter g.Northouse Defines leadership, Despite the multitude of ways in which leadership has been conceptualized, the following components can be identified as central to the phenomenon: (a) Leadership is a process (Defining leadership as a process means that it is not a trait or characteristic that resides in the leader, but rather a transactional event that occurs between the leader and the followers); (b) leadership involves influence (It is concerned with how the leader affects followers. Influence is the sine qua non of leadership. Without influence, leadership does not exist); (c) leadership occurs in groups (Groups are the context in which leadership takes place), (d) leadership involves common goals (Leaders direct their energies toward individuals who are trying to achieve something together).

Based on these components, the following definition of leadership is used in this text: Leadership is a process whereby an individual influences a group of individuals to achieve a common goal.

2. Characteristics and skills required for effective leadership

The success of the company is directly related to the competence and skills of the people who work in the company. The fact that the company is on the market today is no guarantee that it will be 3 years later (Due to competition, unstable environment and other factors). For the company to survive in a long term, its employees and management must constantly develop. The purpose of this section is to describe leadership development methods and issues that need to be considered in this process.

There are many researches related to leadership skill, for example In the model proposed by Katz in the Harvard Business Review, titled "Skills of an Effective Administrator" from 1955, he recognizes three different abilities that a leader should have. These are:

- Technical Skills
- Human Skills
- Conceptual Skills

Katz argued that these skills are quite different from traits or qualities of leaders. Skills are what leaders can accomplish, whereas traits are who leaders are (Northouse, 2007, p.40). A technical skill is knowledge about and competency and proficiency in a specific work or activity. A human skill is one that enables to work with people. It is different from technical skills which has to do with working with things. These abilities help us to get along with people and to communicate and work within teams. A conceptual skill are abilities to work with ideas and concepts. These skills enable us to understand and better decide the actions and measures that has to be taken in a particular field of work.

Also there are interesting studies by M. D. Mumford, S. J. Zaccaro, F. D. Harding related to leadership skills. The skills model frames leadership by describing five components of leader performance. At the heart of the model are three competencies: problem-solving skills, social judgment skills, and knowledge. These three competencies are the central determinants of effective problem solving and performance, although individual attributes, career experiences, and environmental influences all have impacts on leader competencies. Through job experience and training, leaders can become better problem solvers and more effective leaders.

Conclusions. Every company needs an effective leader to achieve its goals. However, an effective leader is directly related to the qualities and abilities that a leader must possess. According to many studies, there has been identified main skills, which should have leaders, For example: Technical Skills, Human Skills, Conceptual Skills, problem-solving skills, social judgment skills and knowledge. We recommend company executives to focus on developing these skills, but it is important to take into account, that not only these skills can be most important, for effective leadership, and management should always ask themselves and others, is it needed or not, to work on others competene or skills.

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MANAGING SERVICE CONCESSION RELATIONSHIP AND RELEVANT LIABILITIES

Summary. This article outlines the regulations of the public-private partnerships in Georgia. Relevant projects are being identified and managed according to the Law of Georgia on Public and Private Partnerships. The article discusses the International Public Sector Accounting Standards - IPSAS, according to which such projects should be accounted. These standards determine the state's obligations to organizations (operators) implementing these projects. The article presents the results obtained from the study of the projects that have the characteristics of public-private partnerships (PPP). The respective liabilities are calculated.

Key words: liabilities, service concession arrangements, service concession asset, PPP (public-private partnership) projects.

Introduction. Analysis of state debt is carried out by both public organizations and private authors [1], [2], [3]. These studies show the dynamics of the change in state debt and its ratio to GDP. Our article also addresses one of the specific areas needed to refine this indicator.

According to the Organic Law of Georgia on Economic Freedom, the debt ratio of the Georgian government to GDP should not exceed 60%. Along with other liabilities, it should take into account the present value of the government commitments under the PPP (public-private partnership).

The Law of Georgia on Public and Private Partnerships [4], which establishes the legal basis for public and private cooperation, came into force on May 4, 2018. In particular, the law regulates rules and procedures related to the development and implementation of the public and private partnership projects, the principles of public-private partnership, the relevant institutional system, as well as other matters related to public and private partnership.

The legal framework clearly sets out the basic principles of public-private partnerships and the criteria that the project must meet to qualify as public and private partnerships and fall within the scope of regulation provided by the draft law.

Purpose. The purpose of this article is to analyze the management issues of PPP projects in Georgia and to calculate the relevant state obligations.

Results. We have assessed the relevant commitments of the PPP projects currently in place in the country based on the principles of the International Public Sector Accounting Standard - IPSAS 32 [5]. The objective of the standard is to prescribe the accounting for service concession arrangements by the grantor, a public sector entity. The standard regulates accounting and reporting norms in the service concession relationship for public sector institutions (grantors). Such agreements include mandatory rules for private sector participation, including for the construction, operation / maintenance and financing of assets that create public services.