

Leadership and Management Styles

One view held about the role of managers is that managers are supposed to plan and control, and not be involved in day to day decision making. They should rely upon formal methods of communication to receive information, and to pass on orders and instructions.

Another view of the role of managers, is that they should be, and should want to be 'hands on' in their approach. That is have general outline plans about the future, but fill in specifics on a day-to-day basis. They should not rely upon formal methods of communication, but instead use the grapevine and face-to-face communication. Proponents of this view of management argue that it is only by operating in this way, that information can be received at the right time, and without bias or distortion.

Yet another view of the role of management takes a functional approach. This states that it is the role of managers to carry out functions in the workplace, such as Human Resource Management, organisation of work and tasks, and the setting and checking of objectives.

The theories and methods of management given below flesh out these ideas. But before you examine these in detail, it is worth remembering that the answer to the question, 'Which style, or method, or theory, of management is best?', always starts with the words 'It depends on the situation facing the manager.....!'

Leadership Styles

In the long run there is no one leadership style that suits any particular organisation. Market circumstances change, internal circumstances change, external pressures change, or alternatively there may be a period of stability. These factors mean that as a business adapts to these different circumstances, then the type of leader that is best suited to the business will also alter. The type of management required to force through

restructuring or re-branding of an organisation, will be very different from the management who would most effectively oversee a period of stability.

The management styles we examine below may then be broadly suited to a particular business form or structure, but there will be times when the style is easily transferable to organisations that have previously been run in quite different ways.

Different Management or Leadership Styles.

Autocratic Leader.

Gives orders, which are to be obeyed without question. Probably a Theory X manager (see page 2)) who has no time for consideration of Maslow's higher needs, or Herzberg's motivating factors. This type of manager can be effective when rapid restructuring is required, but to be effective he will rely upon a strictly hierarchical organisational structure.

Directive Leadership.

Based on the idea that all managers in a chain of command are supervisors. The directive manager will tell their direct subordinates what their roles and tasks are and what is expected of them. He or she will provide a blueprint of how to do a job, and will monitor performance and achievement of standards. This type of management style is often applied when HRM is adopted by organisations, but its emphasis on control is given as one of the major reasons why 'hard' HRM policies result in

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demotivation rather than the intended motivation.

Constitutional or Participative Leader.

This type of manager consults with subordinates in the decision making process. Subordinates are involved with managers in designing their jobs and the tasks involved. Ideally suited to implementation of ‘soft’ HRM policies. Definitely a Theory Y manager

Missionary Leadership.

Leaders driven by beliefs can be regarded as missionary leaders. They must have an organisation and employees behind them that also have the same set of beliefs. Steve Jobs at Apple Computers was a missionary leader forcing the pace of change in the Personal Computer market. He was thrown out by the board when his style of leadership was not seen as appropriate in a multi billion dollar company, but after an absence of several years he was invited back to again lead Apple and has been the driving force behind the launch of the interesting and different iMac computers.

Management Consultants and their employers are seen, more and more, as Missionaries, selling their firms’ set of beliefs to those businesses that will buy into them.

In the long run effective leadership is what makes businesses successful. But what makes successful leadership is open to question.

Laissez faire Leadership.

The direct translation is 'leave well alone', and this is exactly what they do. Middle managers and subordinates are just left to get on with their jobs, and given the minimum of guidance, they succeed or fail on their own.

Conclusion.

In the long run effective leadership is what makes businesses successful. But what makes successful leadership is open to question. Different styles suit

different circumstances, and the same manager can use different styles with different groups of workers, (Mayo and group dynamics). Managers can be task or people orientated, (see HRM) and this orientation will dictate their approach to control, job design and motivation.

Leaders must plan, motivate and control, but how they best do this is a question of circumstance. Using an autocratic style with a group of computer games developers may be a mistake, but using the same style within the armed forces makes a great deal of sense!

McGregor –Theory X and Theory Y

McGregor, an American psychologist, built upon earlier studies into the psychology of the workplace. From these studies he constructed a model of management attitudes, and from this model demonstrated that managers, wittingly or unwittingly, strongly dictated the type and attitude of workers in their employ.

McGregor .. put forward the idea that, in the main, it was managers that created the two types of worker, and if this were so, managers had the ability to, over time, change the psychology of their employees.

McGregor firstly examined the work of Taylor. In the early 1900's the Classical and Scientific (Taylorian) schools of management, suggested that workers were to be given tasks in their simplest forms. Within such Taylorian businesses, the role of management was to ensure that the simplest, most efficient, and productive working methods were used. Employees would have nothing to contribute but their labour. It can be argued that the early success of Ford Motors was to a large part due to the implementation of this structure.

The second element McGregor used was the more recently developed Human Relations School. Studies performed by students of the Human Relations School, such as Mayo, found that



many employees would produce higher levels of output, and be more aware of quality issues, if they are brought into the decision making that affected their jobs, rather than being just told what to do, and how to do it. There was a recognition by the Human Relations School that employees would have needs over and above those of financial needs. And if these needs were at least partially satisfied workers would become able to contribute to the more efficient operation of the business organisation.

McGregor then put forward the idea that in the main, it was managers that created the two types of worker, and if this were so, managers had the ability to, over time, change the psychology of their employees.

He called the two types of managers -Theory X and Theory Y

The Theory X Manager

The first of these management styles, is founded upon the "assumption of the mediocrity of the masses". The Theory X type of manager makes several assumptions about his employees, (none of them good):

- Workers must be supervised, or quality and quantity of output will fall
- Workers only respect the type of boss that tells them what to do, and does so with complete authority
- Money is the only motivator
- Workers do not want to be involved in the decision making process
- Workers wish to remain faceless and unknown to management
- Workers have little ambition, they wish to remain 'one of the boys'

The Theory Y Manager

The Theory Y manager believes that the reverse is true. He starts with several positive assumptions

about his employees:

- Workers cannot be motivated by money alone, they seek more than financial satisfaction from their jobs
- Workers are ambitious, willing to train, and contribute to improve their chances of promotion
- Workers will be more efficient if they are left to their own devices. Trust breeds responsibility
- Workers want to contribute to improving efficiency,. They want to be seen, noticed, rewarded and appreciated when they work well

The impact of Theory X and Theory Y managers on Businesses.

If managers behave in the ways indicated above, there must be many company wide implications for all hierarchically structured businesses (i.e. all medium to large businesses).

The main areas of impact will be in:

- The use of job enrichment and enlargement
- Empowerment
- Delegation and methods of communication
- Hierarchical structure

To use a quote from McGregor

"The theoretical assumptions management hold about controlling its human resources, determine the whole character of the enterprise."

Consequences of Theory Y Managers

The above quote indicates that Theory Y managers are likely to create an open structure, with both formal and informal paths of communication, and delegated powers. Workers will be given responsibilities, and a wider range of tasks.

In the case of Theory Y managers, managers are facilitators. It is likely that managers will

**...theory Y
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adopt a Democratic Style - this is based on encouraging participation in decision making. In the case of Theory Y managers the consequences for the firm will be:

- Requirement for training
- Use of cell working - restructuring of production and service methods
- Setting up of formal communication channels, with both vertical and lateral communication.
- Promotion structures
- Flexible working practices

Consequences of Theory X Managers

But on the other hand, if managers are employed who believe that workers have little or no ambition, wish to be left alone, must not be involved in the wider business environment and must be supervised if they are to maintain quality and quantity of work, then a reverse set of consequences arise. In this case these Theory X managers are likely to be Autocratic managers who are objective and task setters, controlling and dictating operations.

The consequences to the firm include:

- Strict control of formal methods of communication
- Tasks must be designed so they are broken down into their simplest units
- Responsibilities must be clear and unambiguous
- Supervisors must maintain quality.
- High level of dependence on decision making of senior management

Conclusions

The essence of this theory is that the managers will, over a period of time, dictate how workers behave. So if we have a Theory Y manager positioned in a business where workers have previously behaved within the Theory X pattern, it is quite possible for the existing workers to be transformed from being uncooperative, de-motivated, and unconcerned with the success of the business to become contributors, motivated to improve quality, output and ambitious

for personal and company success. It also follows from this, that lack of motivation amongst workers and poor quality of output, is a management created problem. It is the role of management to create methods of production and management of Human Resources that will allow these resources to realise their full potential.

It is of course quite possible that some organisations might benefit from the Theory X manager, after all it is sometimes necessary to gain control, especially when previous management have let organisations become unwieldy or uncoordinated.

It can therefore be seen that for most businesses especially those wishing to use the latest production and motivational methods, the Theory Y manager is appropriate. But there can be cases where a dose of Theory X is exactly what a business needs.

Notes