

GRADUATE SCHOOL OF BUSINESS AND ENTREPRENEURSHIP



English in business communication skills:

Lesson 11

Leadership and management styles

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CONTENT:

1. Management principles;
2. Leadership styles;
3. Modern management styles;
4. Empowerment;
5. China set to become world's largest car maker.



https://www.tutorialspoint.com/management_principles/management_principles_leadership_styles.htm

Management philosophy is the manager's set of personal beliefs and values about people and work. It is something that the manager can control. Eminent social psychologist and management researcher, Douglas McGregor, emphasized that a manager's philosophy creates a self-fulfilling prophecy. Theory X managers treat employees almost as children who need constant direction, while theory Y managers treat employees as competent adults capable of participating in work-related decisions. These managerial philosophies then have a subsequent effect on employee behavior, leading to the self-fulfilling prophecy. As a result, organizational and managerial philosophies need to be in harmony.



Most teams aren't teams at all but merely collections of individual relationships with the boss. Each individual vying with the others for power, prestige and position.

— Douglas McGregor —

AZ QUOTES

<https://www.toolshero.com/toolsheroes/douglas-mcgregor/>

The many aspects of leadership

- The character of top executives and their philosophy have an important influence on the extent to which authority is decentralized.
- Sometimes top managers are dictatorial, tolerating no interference with authority and information they hoard. Conversely, some managers find decentralization a means to make large business work successfully.
- The number of coworkers involved within a problem-solving or decision-making process reflects the manager's leadership style.
- Empowerment means sharing information, rewards and power with employees so that they are equal contributors to the organizations outcomes.
- An empowered and well-guided workforce may lead to heightened productivity and quality, reduced costs, more innovation, improved customer service, and greater commitment from the employees of the organization.

Leadership

Ken manners is an expert on leadership and Management styles. **Can leadership be taught?**

‘Traditionally, the model for **leadership** in Business has been the army. Managers and Army officers give orders and their **subordinates** – people working under them – carry them out in a system of **command and control**. Managers, like army officers, may be sent on leadership courses to develop their **leadership skills**. But I think they must have a basic talent for leadership to benefit from this. Some people say that the only real leaders are **born leaders**.’

What makes a great leader?

‘The greatest leaders have **charisma** – an attractive quality that makes other people admire them and want to follow them. A **charismatic** leader like this may be described as **visionary** – having the power to see clearly how things are going to develop in the future. (Someone like this is a **visionary** and is said to have **vision**.) Leaders are often described as having the following: **drive** – planned effort to achieve something; **dynamism** – a lot of ideas and enthusiasm; and **energy** – the power to be physically and mentally active.’

What is a leadership style and why does it matter?

A leadership style is a leader's approach to directing, motivating, and influencing employees or team members. Your leadership style is usually tied to your behavioral approach.

As a business owner, how do you envision yourself as an effective leader for your team members? Do you have the right leadership skills needed to take your operations to the next phase of growth?

It's important to understand what works for you and your business. For long-term business growth, make sure you practice self-awareness and are utilizing the right style, for the right people, at the right time.



<https://blog.vantagecircle.com/leadership-styles/>

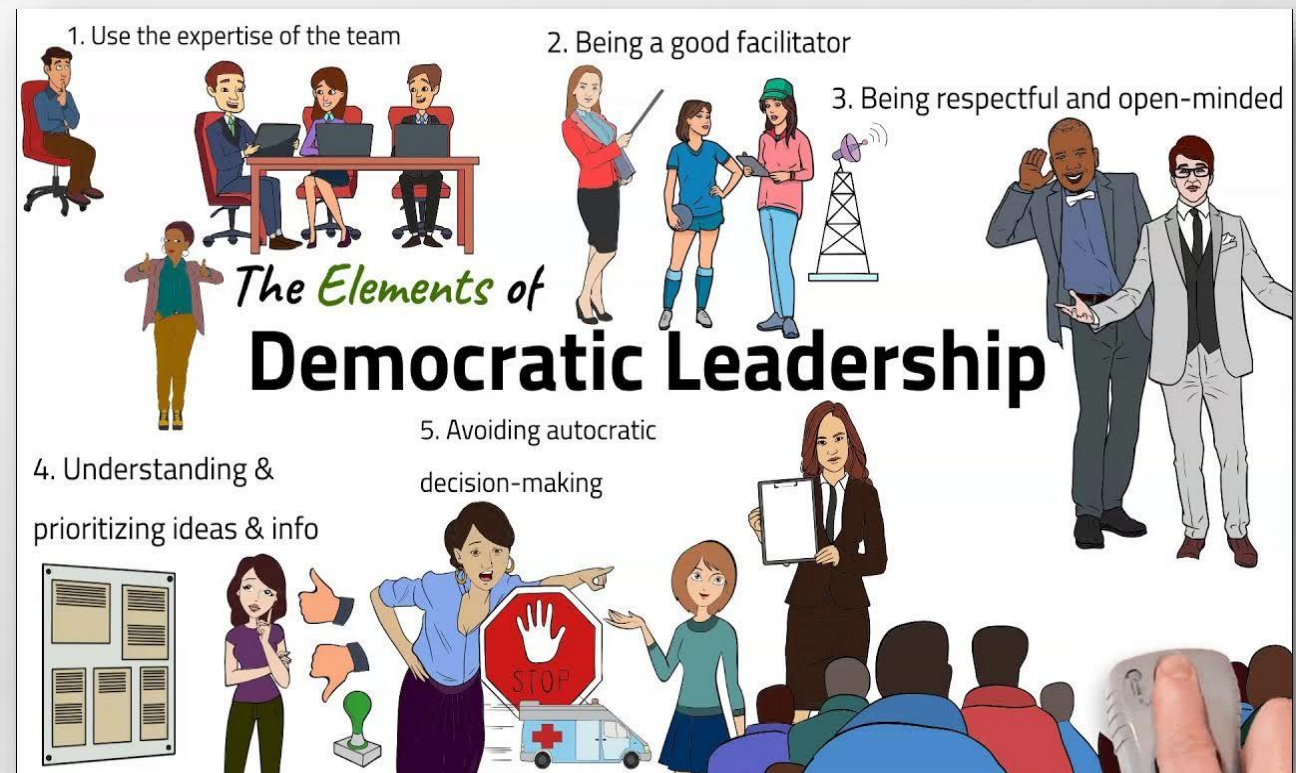
Let's discuss the ten most common leadership styles often seen in companies today.

1. Democratic leadership / Participative leadership

The democratic leadership style is also known as participative leadership. All decisions made by this type of leader will be based on feedback from all group members. The democratic leader actively involves team members and allows them to have a say in all company decisions. Open conversations are also highly encouraged.

On the downside, a democratic leadership style may sometimes delay decision-making and drag timelines. This is because the process of hearing out employees and ensuring that the majority is on board may be time-consuming. Some may also deem the democratic leader as indecisive as they constantly need to get employees' input.

This leadership style works best if you have a team of experienced employees with valuable input to enhance your business decisions and direction.



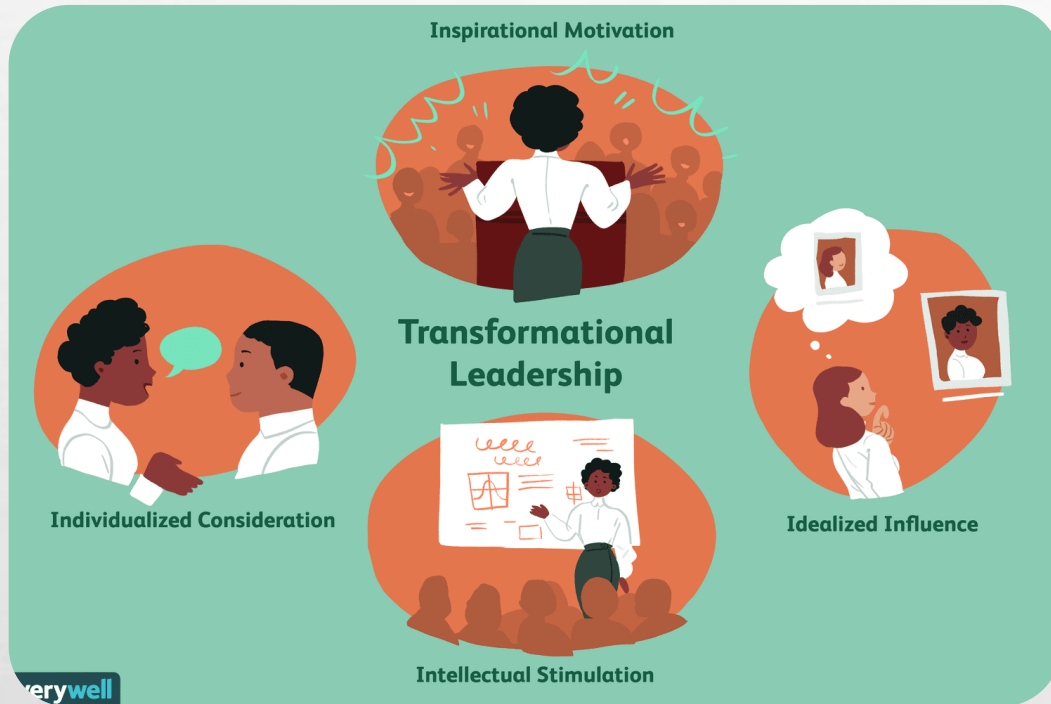
<https://www.youtube.com/watch?v=XypNpT-XXCk>

2. Transformational leadership

Transformational leaders believe in motivating their team members to get things done. A transformational leader is typically charismatic, inspiring team members to go above and beyond to boost teamwork in achieving a business' vision and goals. It's not all talk, a transformational leader is also passionate in involving in work processes as well as helping every team member to succeed.

On the downside, a common weakness of a transformational leader is that there may be instances of favoritism as a transformational leader tends to be guided by their emotions. This may cause uneven employee development or even internal conflict if not managed properly.

This leadership style is most effective if you find yourself having a team that may not be motivated or enthusiastic in working towards your company's vision.



3. Autocratic leadership / authoritarian leadership

An autocratic leadership style is goal-oriented and believes that working towards achieving company goals sets the pace for the team. Autocratic leaders typically train their teams to produce consistent results for routine tasks. They believe in setting clear guidelines on how tasks should be done and keeping the decision-making process among a select few in the business.

Conversely, autocratic leaders tend to micromanage employees and may sometimes lack emotional intelligence. Team members who don't share the same vision as the authoritarian leader will result in a demotivated work environment, lower job satisfaction and employees experiencing burnout.

Autocratic leadership is highly advantageous in industries with stringent regulations, such as the healthcare sector. This leadership style also works well with employees new to the workforce as they are given specific guidance and clear expectations.

CHARACTERISTICS OF AN AUTOCRATIC LEADER



4. Laissez-faire leadership

Laissez-faire leadership, or delegative leadership, is when a leader believes in being hands-off and trusting the team to work it out themselves. A laissez-faire leadership style is when a leader is only involved in assigning tasks in the very beginning. To put it simply, a laissez-faire leader focuses on the big picture and only makes sure that the work is done, without concern about how the work is done.

While delegative leaders will take part in group discussions, they tend to monitor performance and provide feedback only when required. Leaders who practice delegative leadership tend to be liked and seen as someone who empowers employees.

5. Situational leadership

A situational leader is often defined as a chameleon leader – a great leader who has the ability to quickly switch and adapt to the work environment and employee requirements needed to meet the organization's needs. To some team members, situational leaders are their coach, ensuring good pace-setting, to other team members, a situational leader may be hands-off, and only need to motivate the employee once in a while.

6. Transactional leadership

Do you want the carrot or the stick? Transactional leaders use incentives and punishments as the bread and butter of their leadership style. Transactional leaders constantly communicate the rewards for success and the punishments for failure.

This leadership style believes that a transparent chain of command and obeying the leader are necessary for teams to perform. A transactional leader also believes in constantly monitoring team members to ensure company goals are met.

TRANSACTIONAL LEADERSHIP TRAITS

CAREERCLIFF.COM

1. Extrinsic motivation
2. Practicality
3. Resistant to change
4. Discourage independent thinking
5. Rewards performance
6. Constrained thinking
7. Passive
8. Emphasis on corporate structure
9. Directive
10. Emphasis on self-interest



source : yscouts.com

10. Emphasis on self-interest

9. Directive

<https://www.careercliff.com/transactional-leader-and-leadership/>

7. Servant leadership

A servant leadership style is when leaders prioritise ‘serving’ their employees and the organization. Servant leaders are typically observed as selfless as they put employees and the company’s goals above their own. This leadership style values relationships above tasks and will always look into employee well-being with empathy.

8. Charismatic leadership

Ever met a good leader who can motivate and influence team members just through their communication skills?

The charismatic leadership style refers to those who can inspire the group to work together and unite for a common cause. This leadership approach tends to rely on leaders talking their way towards inspiring team members to be part of something bigger. We often see great leaders with the charismatic leadership style in tech companies, where visionary leaders such as Steve Jobs and Bill Gates have inspired generations to follow in their footsteps.

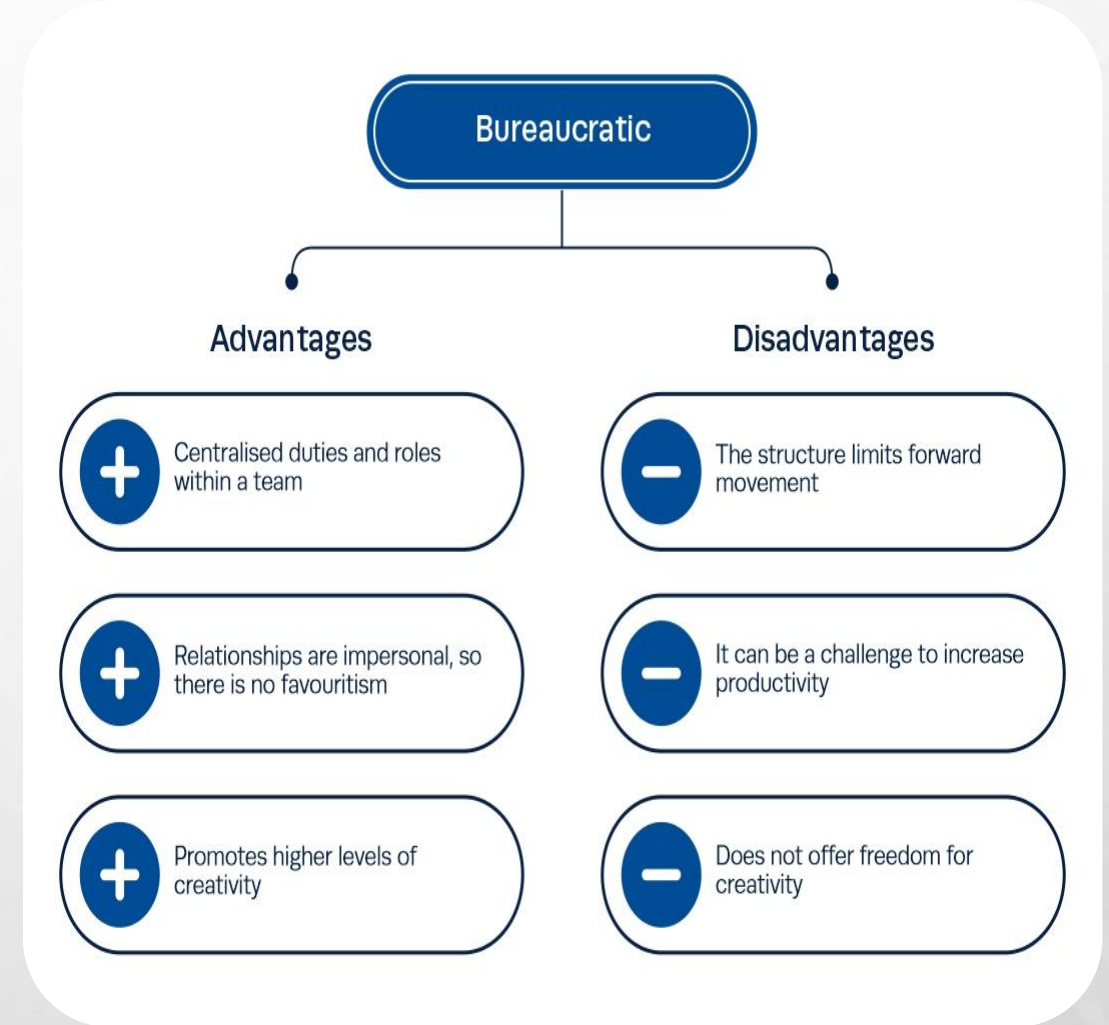
9. Bureaucratic leadership

Know your place - this is an underlying message for the bureaucratic leadership style. This type of leadership style demands respect for the chain of command, and everyone must conform to the rules.

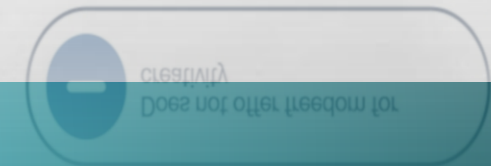
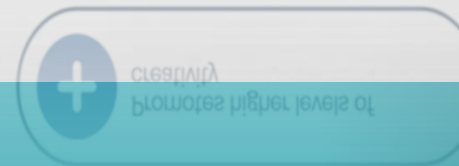
While frowned upon by the younger generations, the bureaucratic leadership style is the most effective leadership style for the public sector, where following procedures, rules and guidelines are most necessary.

However, the bureaucratic style also means everyone is assigned specific tasks with a clear division. This means one team member might not be able to help another, and an absence might delay the task at hand.

This leadership style is perfect if you need your business to 'run like a machine' in a predictable environment such as in large corporations and government agencies.



<https://www.projectmanagement.ie/blog/leadership-styles/>



10. Coaching leadership

The coaching leader believes that effective leadership comes from training team members to be the best they can be. Group members are given constant feedback from coaching leaders to nurture their growth and achieve their potential.

Furthermore, effective leaders who practice the coaching leadership style believe in providing individual attention to team members for their personal career development. They believe in keeping team morale high through frequent encouragement such as having celebratory events for company milestones.



Why is it important to set the right type of leadership style?

Picking the right leadership style is necessary to ensure everyone in the team is on the same page. When it comes to ensuring the company is moving in the right direction, the style of leadership can improve your workflows and business operations.

At the same time, companies must also look at turnover rates and whether this can be stemmed through employee engagement. Having differing generations in the company between the younger generation who need to be inspired and the older generation who see feedback as hostility means great leaders need to pull off a balancing act between the two.

How To Choose the Right Leadership Style

1. Get to know yourself.
2. Outline your values and challenges.
3. Watch leaders you respect.
4. Try different leadership styles.
5. Find a business coach or mentor.
6. Ask colleagues and leaders for feedback.
7. Complete a leadership style assessment.



HubSpot

HubSpot

<https://blog.hubspot.com/marketing/leadership-styles>

assessment

complete a leadership style

Modern management styles

How have management styles changed in the last few years?

‘Before, leaders were **distant** and **remote** – not easy to get to know or communicate with. But now Managers are more **accessible** and **approachable** – easy to meet and to talk to. This is a completely different **management style**. They want to involve employees in a process of **consultation** – getting everyone to participate in making decisions that will affect them. This is management by **consensus** – a situation where most people agree with the decisions taken. The old style was to **impose** decisions in a **top-down** approach – forcing people to accept ideas that they did not agree with.’

Do you think this trend will continue? ‘Yes. There are more women managers now. I would say that they are more **consensual** – more able to build consensus than traditional **authoritarian** male managers.’



<https://prezi.com/aatjv4wiy7r/modern-management-styles/>

Traditional Organization

- Stable
- Inflexible
- Job-focused
- Work is defined by job positions
- Individual-oriented
- Permanent jobs
- Command-oriented
- Managers always make decisions
- Rule-oriented
- Relatively homogeneous workforce
- Workdays defined as 9 to 5
- Hierarchical relationships
- Work at organizational facility during specific hours

Modern Organization

- Dynamic
- Flexible
- Skills-focused
- Work is defined in terms of tasks to be done
- Team-oriented
- Temporary jobs
- Involvement-oriented
- Employees participate in decision making
- Customer-oriented
- Diverse workforce
- Workdays have no time boundaries
- Lateral and networked relationships
- Work anywhere, anytime

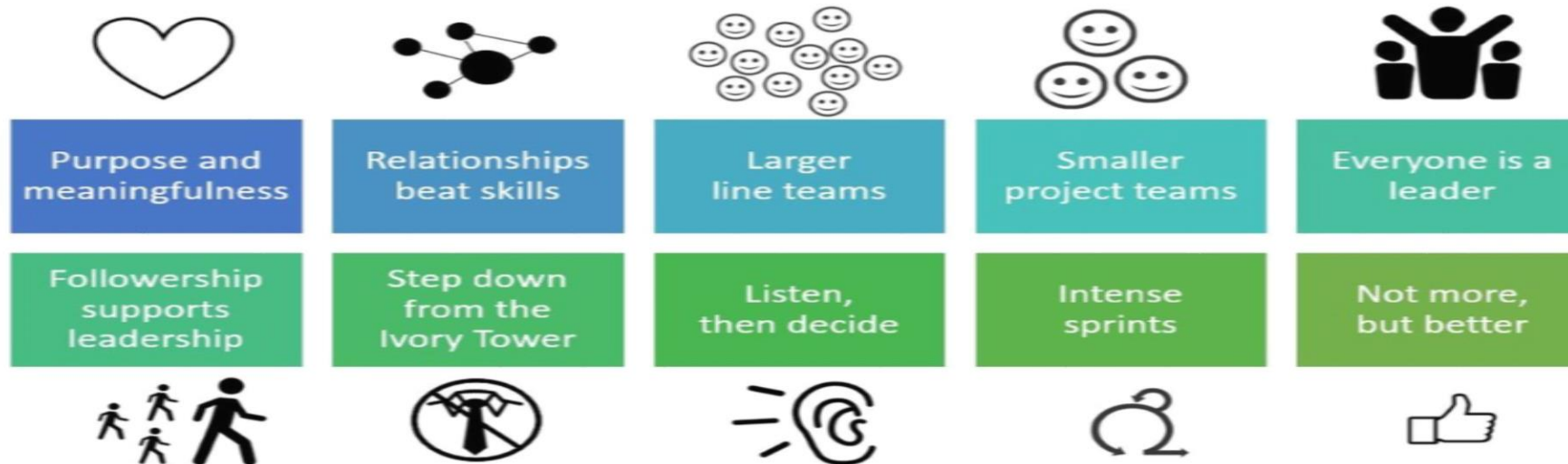
Comparing traditional and modern management models

The main difference between traditional organization and modern organization in several aspects.

- **Stability:** traditional organizations usually are stable in business activities and progress, while modern organizations are more dynamic with multiple business strategy, which need multiple process to deal with constant changes.
- **Flexibility:** in traditional organization, its structure is usually fixed, the strategy is planned, and the management is inflexible. While the modern organization, they need always improve the workflow, update its competitive edges, and the employees are required to promote the skills and knowledge to connect with the market and changings.
- **Teamwork:** the flow of traditional business is ‘tall hierarchy’, which focus on individual responsibility and obey to his superior, while modern one is ‘flat hierarchy’, which more focus on teamwork and cooperation, its collaborative working mode would more conducive to brainstorming and help the companies improve work efficiency and make marketing strategy.

- Stimulate morale: modern organization management enable employees give more freedom and flexibility to fulfill their works, which are beneficial to mobilize enthusiasm of the staffs.
- Management policy: in traditional business, the management policies are conservative, which usually follow traditional rules and regulation, make static workflow model to maintain business strategy and employee management system. While modern management model would do modification such as rescheduling, flexible entity management, dynamic business strategy.

10 characteristics of the modern workplace



From above analysis, we can find the context of modern management emphasis on how individual contribute to the organization and corporate performance, the chief executives pay more attention on retaining control of organization, its performance of is decided by the financial returns and share price of the organization. Moreover, the modern organization reflects the principles related to total quality management, such as learning organization, high performance organization and balanced score cards, so it could be the challenge to traditional management model.



<https://knowledge-swami.Com/everything-you-must-know-about-total->

Empowerment

What, exactly, is empowerment?

‘Encouraging employees to use their own **initiative** to take decisions on their own without asking managers first. This is **empowerment**. **Decision-making** becomes more **decentralized** and less **bureaucratic** – less dependent on managers and management systems. This is often necessary where the number of management levels is reduced.

‘This is related to the ability of managers to **delegate** – to give other people responsibility for work rather than doing it all themselves. Of course, with empowerment and **delegation**, the problem is keeping control of your operations, one of the key issues of modern management style.’



China set to become world's largest car maker (22nd may 2023)

China is set to become the world's largest automobile exporter for the first time. In the first quarter of this year, china surpassed traditional car-making giants Japan and Germany for the first time. Chinese manufacturers exported more than 1.06 million vehicles in the first quarter of 2023. In doing so, they overtook Japan's number of 1.05 million. China's car industry has made great strides in the past few years. Throughout the 2010s, it managed to produce around a million cars a year. That doubled to two million in 2021 and then tripled to three million a year later. China is forecast to more than quadruple production numbers from just four years ago to become the world's largest auto exporter.



<https://www.carmagazine.co.uk/electric/byd/>



<https://www.theaustralian.com.au/life/motoring/chinas-largest-ev-maker-targets-australian-market/news-story/1a1da9bd27b7dd6fc9ab903ea5087a88>

China is becoming the world's largest manufacturer of electric vehicles (EVs). Elon Musk's Tesla has a giant "gigafactory" in China. It has a capacity of 1.25 million vehicles a year, but is yet to reach maximum output. The plant exports a large volume of Tesla cars to Canada, Europe and Japan. However, Tesla is about to lose its crown as the world's largest EV maker to a Chinese company called BYD. Last month, BYD launched a compact EV called Seagull, with a starting price of \$11,000. The top three countries that China exports cars to are Russia, the United States and Mexico. Exports to Russia have been boosted by western countries imposing trade sanctions on Moscow.

Reference

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Thank you for attention!