

BR Leadership Platform

Learning to lead and not just manage is crucial for success

■ Company can fail or succeed depending on leader's style and approach



HUMAN CAPITAL

Liza van Wyk

IN TODAY'S marketplace, buffeted by economic uncertainty, lack of consumer confidence, weakened demand and workforce anxiety, effective leadership is more critical than ever.

Recent research has shown that, in these turbulent times, what makes the difference is the agility of a company's leaders – at all levels of the organisation.

Believe it or not, there are those rare breed of professionals in the world of work who describe themselves as "great managers". Yet, there are others out there who would scoff at the title "manager", instead qualifying themselves as "good leaders".

There are those who say a manager, focusing primarily on the enterprise's revenues, tends to be a master at organising a workforce in meeting or exceeding annual profit projections. Typically, great managers have staked their reputations, if not their careers, on maintaining bottom line results for the betterment of the organisation.

Others say good leaders sacrifice micromanagement of the bottom line in favour of a macroscopic understanding of the enterprise, its associates and its strategic direction.

While it has not been conclusively proven that leaders produce lower profits than managers, they do tend to create more inspired, more empowered associates and leaders are significantly less likely to be deemed a workaholic, ogre or boss-monster by their associates or colleagues.

With that in mind, distinguishing between leadership and management has always been a difficult task. Although the skills required for leadership and management overlap to some extent, there are also distinctions.

Management tends to be task-oriented, whereas good leadership tends to emphasise the motivational aspects of accomplishing tasks and reaching goals. Indeed, despite arguments to the contrary, there are fundamental differences in the philosophical approaches to management versus leadership. While these differences are not as definitive as night and day, they do draw a unique contrast with one another, while complementing related competencies.

Top American management guru Robert Kowalski provides the following differences between leadership and management: leaders motivate, create enthusiasm, inspire loyalty, inspire productivity, set a course, initiate change and build consensus. Managers organise,



delegate, implement, interview and supervise.

True, there has probably never been a time in the world's history when leadership development has been more critical to organisations. The pressures we have been experiencing related to technology, innovation, globalisation and talent wars have been exacerbated by the state of the economic environment. Organisations with effective leadership will be the ones to survive and thrive in the coming decade.

Indeed, one could argue that many of the failures in business in recent years are at least in part attributable to ineffective leadership: poor decision making, lack of accountability to customers and the public, and lapses in ethics.

Therefore, leadership development is not just about developing leaders; it is about creating a culture of performance. There is a relationship between good management and employee commitment.

Great leaders attract, hire and inspire great people. A mediocre manager will never attract or retain employees who perform highly. Leadership development creates a magnet for high performers and fosters a high-performance organisation. This is why the organisations that are built to

last have strong histories of leadership development.

In order to measure the impact of their investment in leadership development, the most critical thing that organisations can do is to consider the intended outcomes and impact before developing leaders.

To effectively manage and lead, company leaders need multiple types of development.

Knowing that leadership development is producing effective leadership and positively impacts the organisation requires strong evaluation practices that measure relevant results. Evaluation must move beyond the theoretical and be used strategically to enable organisations to accomplish their goals. Only then will the real contribution of leadership development be known.

So how does your leadership influence your organisation?

Choosing a leadership style can be a balancing act between empowering and dominating your management team and employees. In other cases, leadership must reflect what the

company needs.

A wide variety of models of leadership styles exist. In 1939, psychologist Kurt Lewin and a team of researchers settled on three divisions:

- **Authoritarian leadership:** the autocratic method has a clear delineation between the leader and the followers with little or no input from managers and employees in decisions. For success with this style, you must be the most knowledgeable member of your group. Left unchecked, this style of leadership can plunge into a dictatorship.

- **Participative leadership:** engaging your team in the decision making process is a key facet of the democratic leadership style. In your role as chief executive or senior manager, you are there to provide guidance. If you have placed value on your hiring and recruiting process, you have the right people in your organisation whose opinions you can rely on to benefit the business.

- **Delegative leadership:** also known as a laissez-fair style, this style leaves the decision making up to the employees. If your team is highly knowledgeable, this style can be successful. Traditionally though, an absence of leadership with this style results in poorly defined roles and a lack

of motivation.

Within these three divisions, other researchers have identified various leadership styles. Developed from Myers Briggs and Jungian typology, there are eight classifications including: participative leadership, ideological leadership, change-oriented leadership, visionary leadership, action-oriented leadership, goal-oriented leadership, executive leadership and leadership theorist.

Find a leadership model that features styles you can identify with. Reflecting on the type of leader you are and contrasting that with the type of leader your organisation needs, can provide valuable insight into where your journey of professional growth will lead. Absorb the best qualities from each of the leadership styles and employ them where they are most advantageous.

Historically, when budgets have tightened during an economic recession, training and development have been among the first corporate activities to see funding reduced.

But today we know more about the implications of failing to develop and offer skills development to people who are responsible for setting an organisation's strategy, growing and retaining its talent, and carrying it through difficult times into the future.

Indeed, research shows that organisations that invest in human capital development see a significant return in the form of stock prices.

To effectively manage and lead in times of crisis and complexity, company leaders need multiple types of development, including financial management, strategy, communication and leadership development.

A true leader is always learning and developing skills. They seek out new information through formal and informal settings. They do not discourage constructive feedback and disagreement.

Therefore, adapting your leadership style and changing it to face organisational challenges is part of being a successful leader.

While management and leadership do have their philosophical differences, they both share the common element of attaining goals.

If the goal becomes the team's destination, then the method – management versus leadership – is the journey, and there are many roads available to the successful professional in today's competitive world. The strategies and practices that ensure success are limitless as workplace technology continues to evolve faster than at any other time in our history.

What sets managers apart from each other is whether they choose to lead, manage or combine the best elements of both disciplines most needed for optimum results.

Liza van Wyk is the chief executive of skills and development companies AstroTech and BizTech

FOREWORD BY SIR ROD EDDINGTON: GREAT LEADERSHIP MATTERS

Great leadership matters – from the front line of any organization to the CEO's office. It is the most important competitive advantage that any company can have. This is true for organizations of all types – in politics, sport, government and business.

David Pendleton and Adrian Furnham have spent most of their lives understanding what makes leaders tick, and how to make them better at their critical leadership tasks. They have matched their academic knowledge of leadership with a comprehensive practitioners' view of what does and doesn't work in the business world. I've seen their passion for this subject up close for 25 years, in Asia, Europe and Australia, across a number of companies, and across cultures – great leadership has more common denominators than differences as we move from place to place.

Their collective wisdom has been distilled into this book *Leadership: All You Need To Know*. It combines their insights with numerous practical examples down through the centuries and across the disciplines.

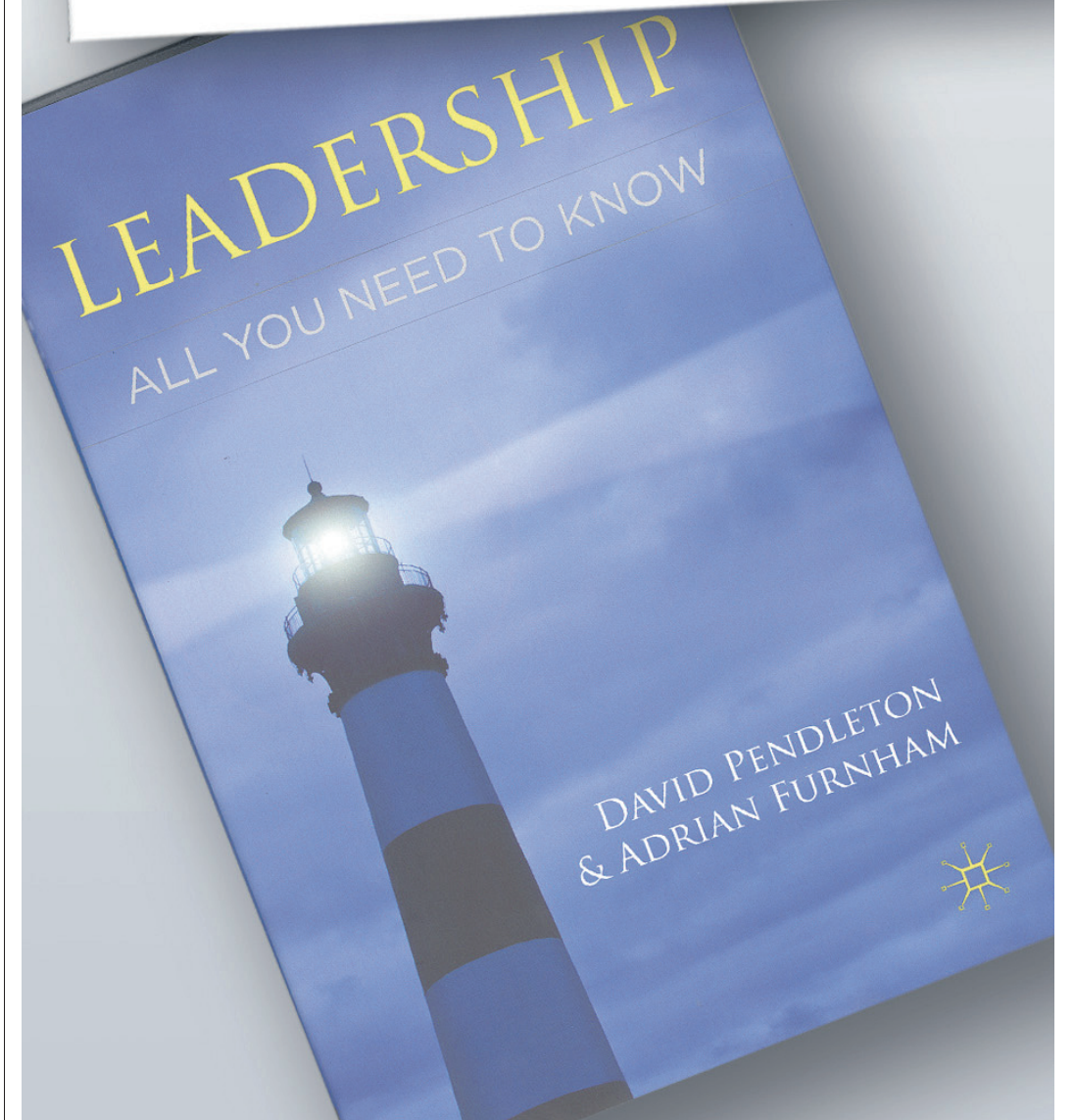
Both authors have had considerable success as advisors to major companies because they combine the tough messages that come in honest feedback with constructive ideas on how to improve and grow as leaders. Understanding your own strengths and weaknesses as a leader is the first step on the journey to growth.

"Are leaders born or made?" is a question often asked. Whatever you might think it is clear all of us must aspire to be the best we can be at our chosen leadership tasks. We all have a lot to learn and the learning process never finishes.

So keep this book at your elbow. The ideas it brings to life are profoundly useful. And it's an enjoyable read along the way.

Rod Eddington
Melbourne, Australia
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Sir Rod Eddington is currently Chairman of J P Morgan Australia and New Zealand. Formerly, he ran Cathay Pacific Airways, Ansett Australia and British Airways. He received a Knighthood in 2005 for services to the aviation industry.



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DIARY

Sharing insight with Pick n Pay boss: The BR Leadership Platform, in association with Regenesys Business School, brings you an exclusive leadership conversation with Nick Badminton, the chief executive of Pick n Pay.

Where: Regenesys Business School, Sandton

When: Tuesday, October 25 at 6pm

To register for the event, e-mail: leadership@regenesys.co.za or info@leadershipplatform.com or call 011-669-5000.

To partner with the BR Leadership Platform or to have your leadership event featured in our diary, contact Rudolph le Roux at The Inc on 011 639 7100 or e-mail: rudolph.leroux@inl.co.za.

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