

AN ANALYSIS OF JEFF BEZOS' LEADERSHIP TRAITS AND STYLES

LEADERSHIP AND MANAGEMENT

THEORY AND PRACTICE

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OVERVIEW

What makes Jeff Bezos one of the most successful leaders ?



Power and Leadership & Great Man Theory

Manal Talherchet – ID 1917140



Trait Leadership Theory & Katz Model

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Transformational Leadership Theory

Valentina Vasileva – ID 1909485



Transactional Theory & Autocratic Style

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POWER AND LEADERSHIP & THE GREAT MAN THEORY

(MANAL TALHARCHET 1917140)

SLIDE 1

Manal Talharchet (1917140)

Power → ability to act or have influence over others

Power and leadership

- Referent Power positive interpersonal skills
- Expert power: vast knowledge in a particular area
- Reward power: has the ability or skills of providing incentives to the employees
- Legitimate power formal authority
- Coercive power ability to detect unlawful behavior

A profile photograph of a man with a shaved head, wearing a white collared shirt under a dark jacket. He is looking upwards and to the left, with a contemplative expression. The background is dark.

SLIDE 2

Case Study application

- Based on the referent power he became world richest man.
- Fabulous expert power in enhancing business and helps in achieving success.
- Bezos earned a lot of profit in the covid 19 crisis and helped the government partially and provided food to millions of people in the pandemic situation (Solanki, 2019).
- Legitimate power helped him to get a lot of mind power.
- He detected the companies losses and took steps against it and now these powers helped him to establish such a big company like Amazon.

SLIDE 3

Great man theory

- Leadership is called for certain quality like commanding personality, charm and persuasiveness
- In order to enhance a leadership theory Great man theory is used.
- A person can easily become wisdom, intelligent and charismatic.
- Helps people to achieve political skill to make a business stable (Oko-Otu and Chidume, 2021).
- The main strength is expanding the leadership view to the action

Application to the case study

- Great man theory helps Bezos to earn a lot of strength and decision making power.
- The theory helped him to manage the employees under him.
- These leadership helped Bezos to earn a lot of profitability and increase the political skill.

Speaker notes by Manal Talharchet

Power and leadership and the application to the case study

Power of leadership refers to the influence that such a leader has on the people they lead. It encourages everyone else to contribute to their cause and carry out their requests in the same manner. Although leadership can't function ok without influence, it is one of the most important components of leadership. In addition to this, it is an essential element of authority and control.

Referent power can be stated as the reverence gained by leaders, and for these the leader needs to have strong interpersonal-relationship skill. It enhances the influence and collaboration in these assessments.

These points are very important because Jeff Bezos has a great influence and collaboration power with the help of which he makes the employees together and enhances his business (Goleman, 2021). Bezos is the richest man in the world and a successful businessman, so he has a huge legitimate power and he achieved it from his business. Legitimate power is actually a formal type of authority which is given to some specific person in an organization. Unlawful power helps to detect Jeff Bezos the problems of the company and its losses and then with the help of different theories and models he makes all the right situations and earns a large amount of profit with the help of employee motivation. Reward power helps to achieve proper respect to the employees, and it helps the employee to concentrate on the work more.

Great man theory

Great man theory is the approach of the 19th century and it is the theory of leadership. Thomas Carlyle created the theory of Great man leadership. Without a shadow of a doubt, Jeff Bezos exemplifies what it means to be a pioneer in the current business world. In order to attain success in a short amount of time, he relied on the great man theory. He was successful in growing his fledgling business into a well-known brand that is now worth one billion dollars. Bezos deserves credit for being the pack leader, despite the fact that this achievement was the result of a team effort including thousands of workers, executives from partner companies, and other employees.

Jeff Bezos is generally acknowledged as a transformative leader, which is someone who encourages and encourages teammates to do more than people believed possible. He founded

Amazon, which is now the world's largest online retailer. Bezos makes it his business to guarantee that every member of his staff is fully invested in the company's long-term goals.

A leader sets goals even when they seem difficult to achieve, and he achieves those goals with his followers no matter what difficulties he faces (Borgatta et al., 1963). Great man leadership style lets him test ideas and create new ways, manage possible difficulties, and find smart solutions. This is in addition to his inventiveness and creative attitude. (Gradinaru,2020)

TRAIT LEADERSHIP THEORY & KATZ MODEL

OLEH VSYLYSHYN – ID 1917016

SLIDE 1

Katz 1955 model approach in leadership skills theory



(Van Echtelt,2020)(Richard,2019) (Indeed,2021) (Technofunc,2020)

SLIDE 2

Trait Leadership Theory

Thomas Carlyle 1840

—
'Great Man Theory'



(Priyadarshini,2019) (Juneja,2022) (Cherry,2021) (Indeed,2022) (Rick,2020)

SLIDE 3

KATZ MODEL AND TRAIT THEORY APPLICATION TO THE CASE STUDY

Jeff Bezos Skills

Technical skills: J. B a technology engineer, from online bookstore to Amazon founder.

Human skills: Organizational culture focused on Consumers&Staff.

Conceptual skills: Innovative planning and decision making
Amazon market growth



Jeff Bezos Traits

Creativity - Responsibility:
Water line principle

Perseverance- Confidence:
Amazon =Internet experiment

Motivation- Empathy :
2 Pizza Rule
Waterline principle
Bezos Day One Charity Fund

(Lesier, Achua,2015) (Satter,2022) (Lighthouse,2021)(Umah,2017) (Schwantes,2020)
(Gregersen,2015)(Neate,2020)

Speaker notes by Oleh Vsylyshyn

Katz Model

The skills leadership theory, through the investigation of Katz model, defines the usage, implementation and control of the available or acquired competences from past experiences, aimed to optimize leadership performances, which subsequently generate the planned strategies in the organizational productive processes; characterized by effective methods of management and monitoring of individual segments within the company's production chain.

(Rick,2020) (Richard,2019) (Indeed,2021)

The effective application and knowledge of the three skills areas, according to the Katz model also allows the possibility for all individuals to learn and implement administrative functions, with the prospect of development in high command positions within the organizations.

Despite this, the model highlight ambiguities on the specific investigation of the variances between the essential personal skills and characteristics, with the influence of external elements such as the varied experiences and networks that contribute to the conception of detailed and efficient models, required to the development of administrative figures.

(Richard,2019) (Indeed,2021)

Trait Leadership Theory

Trait leadership theory, or the investigation of the variegated individual characteristics and behaviours, closely linked to efficient models of leadership in diverse life circumstances, descends from the 'Great Man theory' formulated in 1840 by Thomas Carlyle, which defines that individuals at birth inherit predominant characteristics and subsequently the exposure to different experiences, engender different behavioural models and successful leaders.

(Rick,2020) (Cherry,2021) (Junega,2022) (Indeed,2022) (Priyadarshini,2019)

The Carlyle's theory has suffered several criticisms from modern researchers, who have defined that the development of certain personal characteristics is facilitated by social interactions and individual experiences, which contributes to generating multiple leadership traits, but further develops similar behavioral models, particularly highlighted in high managerial level profiles, which tend to manifest qualities of authority.

These main characteristics can be summarized in: Adaptability, Creativity, Perseverance-Confidence, Motivation-Empathy, Ambition, Responsibility-Stability.

(Indeed,2022) (Cherry,2021)

Advantages and Disadvantages of Leadership Trait Theory

The leadership trait theory illustrate that successful administrators possess common characteristics, such as strong interpersonal skills, confidence etc .., which represent with the wide-ranging life experiences the fundamentals for the development of efficient leadership models, however those patterns in the current digitized world, had highlighted transformed characteristics and the successful leaders, are relevant for their aptitude to attract and influence followers at the expense of leadership skills. (Indeed,2022) (Cherry,2021)

Katz Model And Trait Theory Application To The Case Study

Katz model and trait theory of leadership concepts as technical, human, conceptual skills with responsible creativity, perseverance, motivation and empathy, are functional to comprehend the Amazon's success under Jeff Bezos leadership.

Technical skills : Jeff Bezos is a technology engineer who through his specific technical-analytical knowledge, and the incredible confidence in his Internet project, has been able to transform an online bookstore into the largest and automatized e-commerce site in the world.

(Lasier,Achua,2015) (Satter,2022) (Lighthouse,2021)

Human skills: Jeff Bezos is accountable for Amazon's organizational culture, which by focusing on monitoring business performances encounters the customers needs ; moreover, with the introduction of the '2 pizza rule and water line principle', it creates and inspires multiple small managerial teams of 5-7 members to innovate by embracing the possibility of failing with a

calculated risk management, which consequently reduce communication barriers and empower the workforce in career development plans.

(Umah,2017) (Lighthouse,2021) (Satter,2022)

Conceptual skills: Jeff Bezos by introducing the 'meeting memo's and the 10 am rule' has created an innovative approach to decision making strategies that has efficiently improved the business productive processes and implanted his personal innovative vision based on perpetual creativity with consumers & personnel satisfaction.

(Gregersen,2015) (Schwantes,2020)

TRANSFORMATIONAL LEADERSHIP THEORY

VALENTINA VASILEVA – ID 1909485

SLIDE 1



Transformational leadership theory

- Transformational leader pushes and encourages team members to accomplish greater heights;
- Transformational leadership affects social systems and individual behavior (Bakker et al., 2022);
- With the ultimate goal of converting followers into leaders, it causes significant and positive change in the followers;
- The transformational leadership style combines inventiveness and imaginative attitudes;
- Empowering leaders to challenge ideas, craft new ways and produce intelligent solutions;

SLIDE 2

Transformational Leaders

- Transformational leaders push employees beyond what they perceive as their limits;
- Dream large, enhances innovativeness and creativity, and accelerates company growth;
- Flexible leadership style, quicker response to changes that the rest of the world may experience later (Ugochukwu, 2021);
- The harsher and less forgiving method of idea generation in an organization enables only the best to thrive;
- The leaders have overarching confidence in the power of metrics and algorithms;
- Get the most out of their business, hugely defining their leadership style and ultimate success;

SLIDE 3



Image source: The Pourquoi Pas (2021)

Transformational leader

- Bezos changed market trends;
- Bezos' company has been able to sail through the Covid 19 pandemic seamlessly;
- Inspirational motivation where employees are encouraged to always "think big" and move out of their comfort zones to develop valuable company ideas (Waldman & O'Reilly, 2018);
- The leadership of Jeff Bezos has enabled success since employees learn to value customers, be innovative, and be better individuals;

Speaker notes by Valentina Vasileva

Transformational Leadership Theory

Transformational leadership is characterized as a leadership style that affects individuals and societal systems. Its optimal form generates a better and genuine change in followers, with the ultimate goal of growing supporters into leaders. The preservation of the corporate status quo and a focus on monitoring and team objectives attained through incentives and punishments are traits of transformational leaders (Bakker et al., 2022). Transformational leadership is a leadership style that depends on team support to achieve organizational success. A team's confidence and morale can be increased to better align itself with a larger goal or vision. In the real world, transformational leadership motivates team members to collaborate as a unified entity rather than as a collection of disparate components.

Transformational Leaders

Bass contends that a leader's followers must also feel loyalty and respect in addition to trust and adoration. These feelings foster an atmosphere where the followers are willing to put in more effort than anticipated.

The transformative leaders give their followers something more than just what they can get from them—a motivating purpose and sense of self.

Bass's model, which dates back to the 1970s, resembles transformational leadership much more in the modern era. This technique's sole constant is the setting in which transformational leadership must be used. It can therefore be employed in any business, especially in environments where teams are prioritized at work. (Ugochukwu, 2021)

Most successful emergency leaders have used transformational leadership (Ugochukwu, 2021). This is a management style in which the leader sees the need for change, drives the organizational objectives, and works with a team similarly dedicated to accomplishing this vision.

Idealized influence, charisma, intellectual stimulation, and individual consideration are the main characteristics that transformational leaders emphasize. Each of these four elements

contributes to the leadership style and aids in improving and increasing the productivity of the followers.

Transformational Leader

The success or failure of an organization's change management efforts is strongly reliant on follower engagement and advocating behavior (FCB) vs follower cynicism or other types of change resistance. Employees engage maximal initiative, effort, and enthusiasm into the change endeavour when follower advocating behaviour is related to change-supportive behavior. The Covid 19 pandemic drove many organizations to switch to traditional business strategies, which entailed temporary layoffs for some staff (Lauer, 2010).

Various media outlets present Jeff Bezos as passionate, enthused and visionary. The social structures built around Bezos portray him as a charming and ground-breaking inventor who transformed the e-commerce business landscape. (Rosenbaum, 2014)

Bezos challenged the employees with undertaking tasks that they had previously avoided. Amazon's leadership model enables seamless shifts into new approaches, ensuring continuing profitability by reducing forms of change resistance.

Transformational leadership overarches inspirational motivation. Inspirational motivation entails a leader's ability to instill passion and confidence in subordinates, resulting in improved business outcomes (Waldman & O'Reilly, 2018). Bezos is a transformative leader who pushes and encourages team members to accomplish greater heights than they previously imagined. Bezos guarantees that everyone on his staff dedicates to the organization's vision.

TRANSACTIONAL THEORY & AUTOCRATIC STYLE

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SLIDE 1

Transactional Leadership Theory

Max Weber - Founder of the idea of Transactional Leadership In 1947 (Rosenbach, 2012)



SLIDE 2

Autocratic Leadership Style

In the 1930s, Kurt Lewin developed the idea of Autocratic Leadership (Cherry, 2008)



Authoritarian control



All decisions are made by the leader



Focus on commands

(Odetao & Vitti, 2012)



Very rigid work trends



No rights are delegated to subordinates

- For making decisions or
- Completing important tasks

(Claire & Cremerb, 2004)

SLIDE 3

Case Study Application Transactional Theory & Autocratic Style

⇒ Case Study: „Bezos turned Amazon from a bookstore into one of the most successful online retailers“

- ✓ Bezos makes all important decisions himself
- ✓ He acts confidently
- ✓ A clear vision for Amazon's future (Encyclopaedia Britannica, 2020)

Ex.: Transactional and Autocratic Leadership Style

⇒ Case Study: "Success during a pandemic, the shares value increased by 70%"

- ✓ Bezos is task oriented
- ✓ Great importance of highly controlled work environment
- ✓ Takes fast and flexible solutions (Forbes, 2020)

Ex.: Transactional Leadership Style

⇒ Case Study: "Amazon – a fast-growing company"

- ✓ High work efficiency
- ✓ Strict standards
- ✓ Fast results expectations
- ✓ He motivates through rewards & consequences (Dean, 2021)

Ex.: Transactional and Autocratic Leadership Style

High engagement
of employees to
the organisation



+ 34% Better
employee
performance



+21% Profits

(Forbes, 2020)

Speaker notes by Stela Rachkova

Jeff Bezos' Leadership Style Through the Prism of Transactional and Autocratic Leadership

The study aims to present the nature of a transactional and autocratic leadership style. As well as analysing what leadership style Jeff Bezos is by looking at his actions and achievements as CEO of Amazon.

Transactional Leadership Theory

In 1947, the German sociologist Max Weber was the first who describe transactional leadership as the exercise of control based on acquired knowledge. (Rosenbach, 2012) At the core of this theory, leaders lead by using rewards and punishments to achieve high commitment to the company and maximum performance of their employees. Thus, followers are motivated to work based on their self-interest. Transactional leaders are task oriented and demand strict adherence to its regulations and rules. In this way, the leader seeks to achieve high control over the work process and subordinates. (Bruce & Avolio, 2001)

Autocratic Leadership Style

At the essence of the autocratic style is dictatorship, which means that one person exercises unlimited power over everyone else. Leaders with an autocratic style make all decisions in the organization themselves, control all departments and employees. (Claire & Cremerb, 2004) Workplace control is always at a high level. The leader dictates the way in which the worker must perform his duties. Autocratic leaders do not consult the opinions of employees, they are not given the opportunity for creative development or making independent decisions related to the work process. (Cherry, 2008)

Case Study Application - Transactional Theory & Autocratic Leadership Style

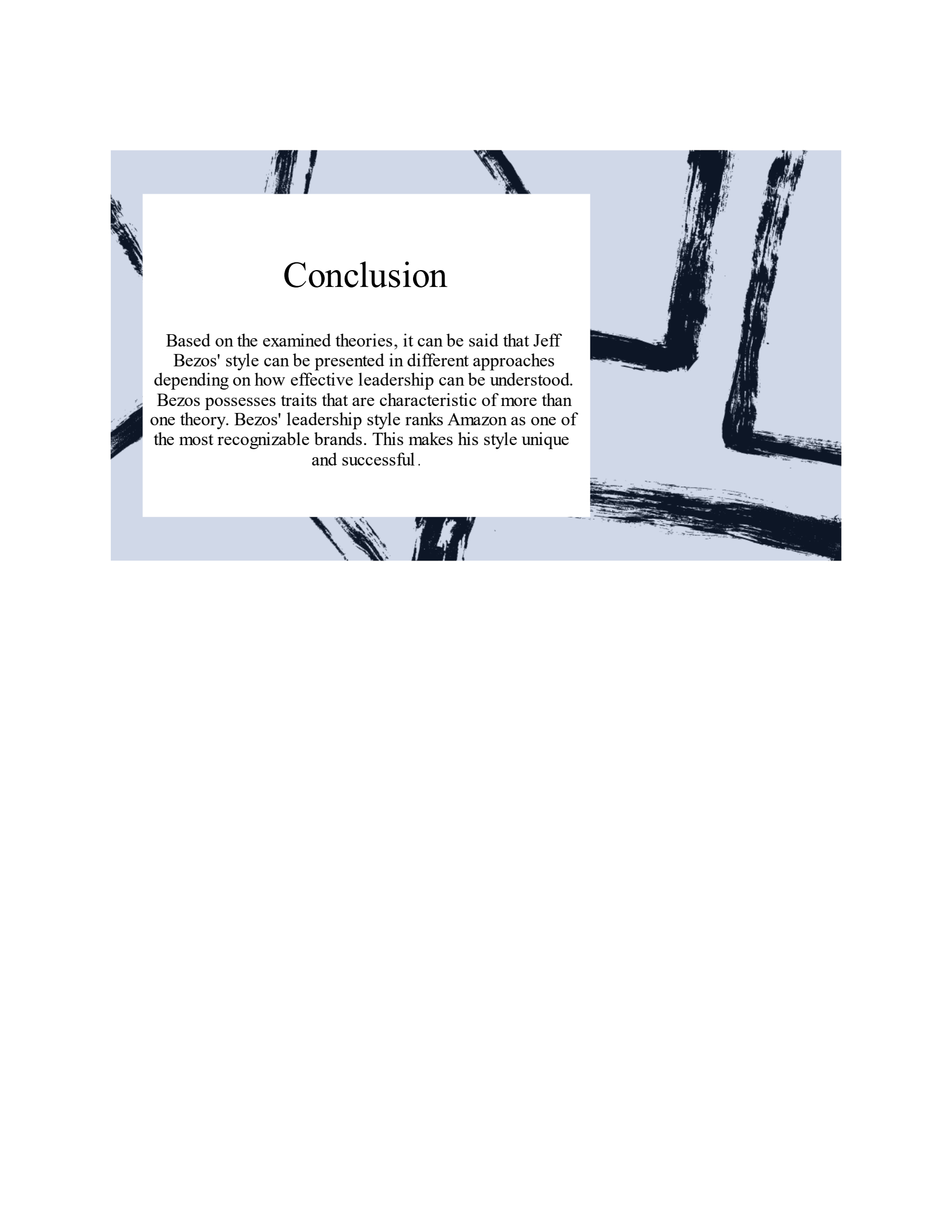
Jeff Bezos has more than once shown that he is extremely self-confident and prefers to follow only his visions for the future of his company. Bezos doesn't rely on his subordinates for opinions or ideas, because he believes he knows best what will make Amazon successful.

Individual decision-making and reluctance to delegate authority to subordinates is an example of transactional and autocratic leadership. Undoubtedly, the decisions that Bezos made were correct, because today Amazon is one of the fastest growing companies, and Bezos is one of the richest people in the world.

In the autocratic leadership style, fear of being fired is the main motivator, while the transactional style is based on rewards and consequences (punishments). The style by which Bezos motivates his workers is transactional, using cash bonuses for better performance or consequences if the job is not done right. Bezos has said that he is "afraid of mediocrity", so he likes to control and monitor the work of each department. (Dean, 2021)

Quick decision-making is one of the key characteristics of autocratic leadership. This is of great importance, especially in crisis situations. An example of this is Bezos' quick and adequate solutions during the Covid 19 pandemic. He was able to mobilize his workers to perform their daily duties more efficiently and safely. Bezos' quick decisions during the pandemic led Amazon to rapid growth, with the value of the company's shares increasing by an impressive 70% within 2020-2021. (Forbes, 2020)

Based on the discussed characteristics of the transactional and autocratic style, and the actions of Jeff Bezos related to the management of Amazon, it can be concluded that he is more of a transactional leader than an autocratic one.



Conclusion

Based on the examined theories, it can be said that Jeff Bezos' style can be presented in different approaches depending on how effective leadership can be understood. Bezos possesses traits that are characteristic of more than one theory. Bezos' leadership style ranks Amazon as one of the most recognizable brands. This makes his style unique and successful.

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