

MODULE: LEADERSHIP AND MANAGEMENT THEORY AND PRACTICE

LCBB6003

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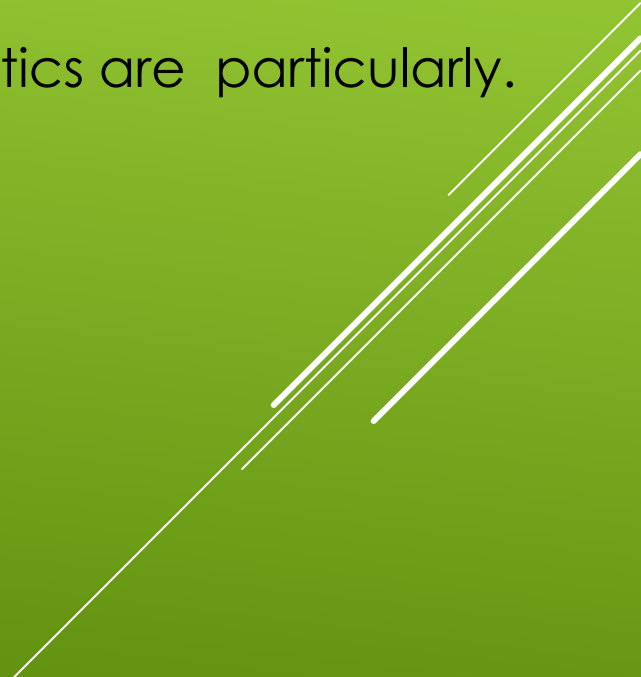
Loredana-L. Tintar - 2014070

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Speaker's Notes

INTRODUCTION

- ▶ About General Electrics (GE).
 - ▶ Leadership style and characteristics are particularly.
 - ▶ Jack Welch, the CEO of GE.
 - ▶ The aim of this analysis.
- 
- Several white lines of varying lengths and slopes are positioned in the bottom right corner of the slide, creating a modern, abstract graphic element.

► Leadership

Long term interest

Social Skills

Employees achievement

Goal achievement

No titles

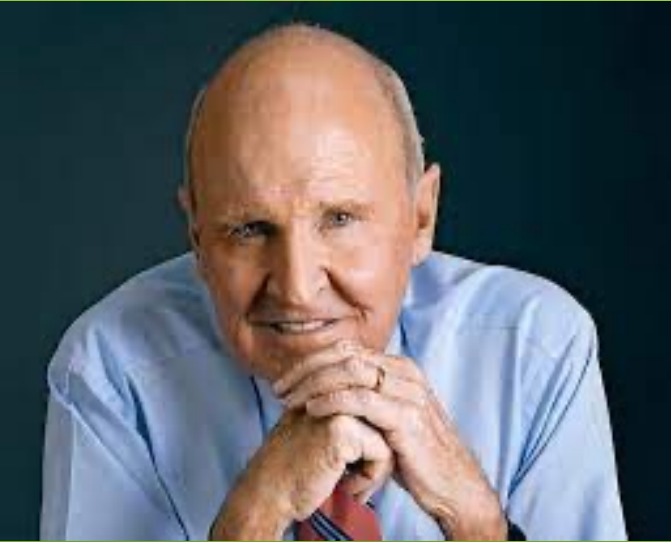
Social influence

It is not management

Maximising the effort



Jack Welch



Charismatic



Demanding



Grew up the business
by over 4000%



1. Implemented Rank and Yank system
2. Decentralised Leadership approach
3. Transformed GE into the most valuable company in the world

Successful business
Leader, CEO of GE
1981-2001

▶ Transformational Leadership

Components

Intellectual
stimulation



Individual
consideration



Inspirational
motivation



Idealised influence

Characteristics of transformational Leader

- A willingness to consider new ideas
- Ability to open people's eyes
- Active listening as a core value
- Intelligent risk acceptance
- A readiness to shoulder blame
- Capacity to motivate people to take part
- Believe in your co-workers

• Transactional Leadership

Approaches

- Contingency
- Active management by exception
- Passive management by exception

characteristics

- Lacks Initiative
- Influenced by the prospect of gain and loss
- Follow the well-defined guidelines
- Must be controlled and overseen

- 
- A hand holding a magnifying glass over a landscape, symbolizing focus and perspective. The magnifying glass shows a detailed view of a river valley with a tree on the left and hills in the distance. The background is a blurred landscape with a sunset or sunrise sky.
- ✓ **Get your people decisions rights**
 - ✓ **Speak with candor**
 - ✓ **Be insatiably curious**

LEADERSHIP PERSPECTIVES (JACK WELCH)



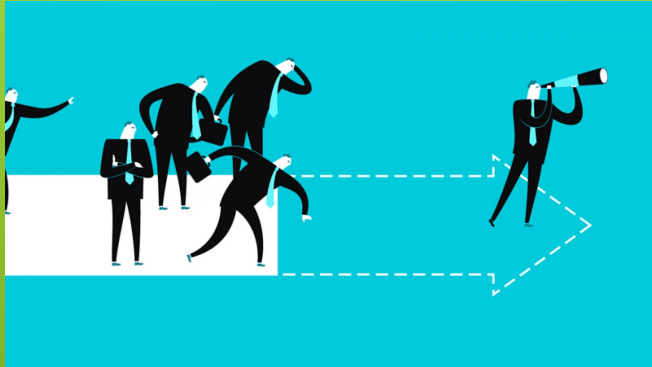


ATTRIBUTES OF LEADERSHIP



- Upgrade their team using every encounter as an opportunity to evaluate, coach and build self-confidence.
- Make sure people not see the vision, but also live and breath it.
- Get into everyone's skin, exuding positive energy and optimism.
- Establish trust with candor, transparency and credit.
- Have the courage to make unpopular decisions.
- Inspire risk taking and learning by setting the example.

JACK WELCH'S LEADERSHIP QUALITIES



- Boundaryless behavior
- Focusing on organizational values
- Celebrating wins



JACK WELCH'S
MANAGEMENT QUALITIES



- ✓ **Affects productivity in a good way.**
- ✓ **Create solid bonds of trust and friendship.**
- ✓ **Change towards improved performance.**
- ✓ **Adjust to changing needs.**
- ✓ **Impact employee retention.**

BENEFITS OF LEADERSHIP STYLES

PRINCIPLES OF LEADERSHIP

LEADERSHIP FREQUENTLY AFFECTS THE COMPANY'S SUCCESS. DIFFERENT LEADERSHIP STYLES WORK FOR DIFFERENT LEADERS. DUE IN PART TO THESE VARIANCES, EACH LEADER MUST HAVE A UNIQUE SET OF BELIEFS FOR THEIR BUSINESS.

THE FOLLOWING PRINCIPLES CAN BE APPLIED

- ✓ **Lead by example**
- ✓ **Leadership is about people**
- ✓ **Focus on change**
- ✓ **Admit mistakes**
- ✓ **Understand the value of listening**

(Jamie Birt. 2022)



Promote diversity



Work together to
achieve more



Have solid values



Use technology
and innovation



Help to develop
future leaders

- ▶ Leaving or standing apart from the team
- ▶ Criticizing too much
- ▶ Micromanaging employees
- ▶ Requiring regular interaction
- ▶ Behaving dishonestly
- ▶ Failure to communicate clearly
- ▶ An absence of well-defined ends
- ▶ Not giving constructive feedback

LIMITATIONS OF THE LEADERSHIP STYLES (WEAKNESSES AND WAYS TO IMPROVE THEM)

(JENNIFER HERRITY, 2023)



CHALLENGES OF LEADERSHIP STYLES

- ▶ 1. Honing Effectiveness.
- ▶ 2. Inspiring Others.
- ▶ 3. Developing Employees.
- ▶ 4. Leading a Team
- ▶ 5. Guiding Change.
- ▶ 6. Managing Stakeholders

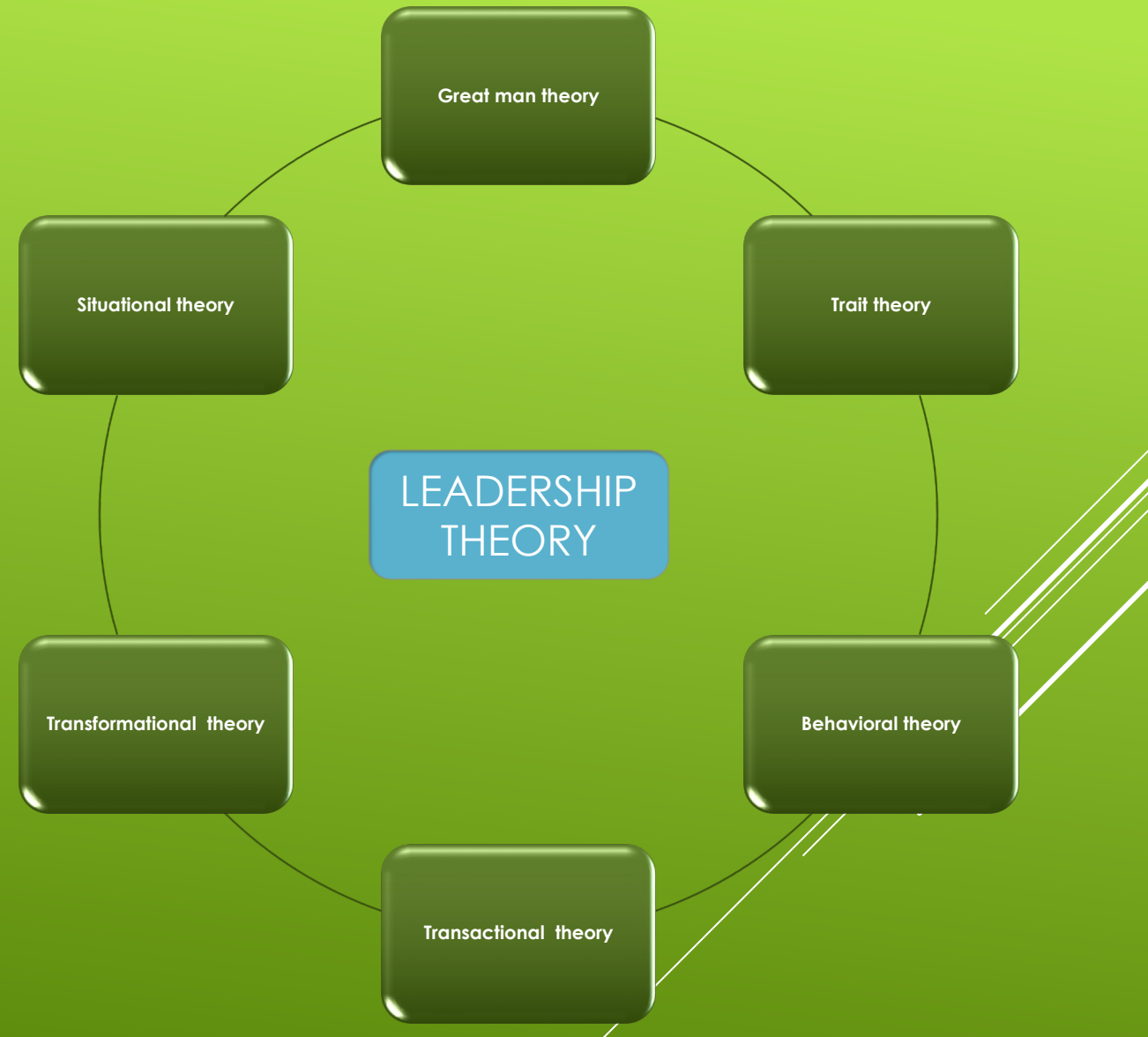
(Leading Effectively Staff, 2020)

THEORETICAL PERSPECTIVES (LEADERSHIP)

•What are leadership theory and leadership style?

- **6 main leadership theories**

- ✓ Great Man theory
- ✓ Trait theory
- ✓ Behavioural theory
- ✓ Transactional theory
- ✓ Transformational theory
- ✓ Situational theory



THEORETICAL PERSPECTIVES (MANAGEMENT)

► What are management theories?

► Benefits of using theories

- ✓ Increased productivity
- ✓ Simplified decision-making
- ✓ Increased collaboration
- ✓ Increased objectivity



► Types of management theories

- ✓ Theory X and Y
- ✓ Administrative management theory
- ✓ Bureaucratic management theory
- ✓ Human relations theory
- ✓ Systems management theory
- ✓ Contingency management theory
- ✓ Scientific management theory

THEORETICAL PERSPECTIVES (JACK WELCH)

► Transformational theory perfect describes Welch's leadership rules.

- ✓ Leaders vigorously upgrade their team, using every engage as an opportunity to build self-confidence, evaluate, and coach.
- ✓ Leaders ensure people not only see the vision, but also they breathe and live it.

► Contingency management theory

- ✓ According to this notion, not every issue can be managed using the same strategy. According to Fiedler, managers' character qualities affected how they led their teams. This theory places a great focus on the necessity for leaders to be adaptable and pick their finest qualities based on their present work environment.
- ✓ Welch intended to "work out" GE's foolishness and persuade people to "work out" issues that hindered their work in order to attain a boundaryless state; as a result, the Work-Out concept was created (Slater 132).

CONCLUSION

- ▶ All leaders, no matter how wonderful, are held accountable for many things. All leaders must accept the duties of their position, but those who are both ready and able to take on more obligations will rise to the top. One's ability to make good judgements, when in a position of authority, is of paramount importance. - **Sebastian G Boncu (Slides 12-15)**
- ▶ Leader must be the one who gave everything for the team, to be the example to be followed. Character of a leader should be rough, but he must understand his team in the same time. - **Loredana Tintar (Slides 8-11)**
- ▶ Performing this analysis leaded me to the thoughts that leaders and managers must have a conduit. Depending on the leaders perspectives, how accurate they been with choosing the right path, the managers can succeed with their teams or not, how well and how successful business will become. Leader is about to be think how to make every person more valuable. What are other options? Minds squandered? People who are uninvolved? A dissatisfied or angry workforce? That's non-sense ! - **Petru Voloceai (Slide 3, 16-18)**
- ▶ Leadership is not just a position in a company or a grade of seniority in an organisation but is the ability to transform a vision into reality and the capacity of empowering people to create something to achieve common goal.- **Corina Iorga (Slide 4-7)**

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SPEAKER NOTES

- ▶ *Jack Welch is named as being one of the greatest leaders of his era and known as the CEO of General Electric. As a leader, during his career he encountered obstacles and make mistakes, his leadership style was not ideal for the 21st century. Therefore, he stood out for his professionalism and his strong character, and here I will point out three of his principles which can be put into practice even today.*

Get your people decision right, he strongly believe that the effective hiring was 'brutally hard' and this the key skill for developing. Welch also learn in time how to choose the right decision, person which has been interviewed for the position of a manager or a leader were subjected to selection to meet the higher standards they had to achieve.

Speak with candor, Jack Welch is known for the passion and how much he gets involved in to make sure that everyone is well informed, and they clearly understand their tasks and what they need to achieve.

Be insatiably curious. An important skill for Welch was being interested, he thinks that persons which are extremely curious are more likely to learn faster and to achieve a good leader. (Loredana Tintar)

- ▶ *Personal Attributes of Leaders*

Skilled communicator. To be able to clearly explain task and inspire others with perspectives.

Confidence. Strongly believe in your power, conviction in the course being set and to be able to think under pressure, to earn respect of others.

Fairness. It is important to treat everyone fairly, leaders must have the feeling of justice and put in practice the equal treatment.

Generosity. As a leader you need to give your time, your knowledge and you need to care about others.

Honesty. Truthful and self-critical to acknowledge own errors.

Humility. Modest about their own abilities and always respectful to others.

Mastery. To be able to make decision and demonstrate your high skills and knowledge.

Passion. Work and approaches every task with passion and enthusiasm.

Selflessness. Leader needs to put their interest and wishes for other before their self-interest.

Trustworthy. Build trust and confidence by acting in team member's best interest. (Loredana Tintar)

- ▶ *As a leader, it is important to recognize and acknowledge the excellent work of your team to continue to encourage peak performance and construct the confidence.*

Good leaders cast the vision of the future and motivate people. They constantly talk about their vision and reinforce it with rewards, which may be in the form of a salary, bonus, or significant recognition.

Effective leaders fight the negative forces of life and encourage their teams with an elevated level of optimism that keeps members upbeat.

Leaders, establish trust by giving credit where it is due. They disagree the idea where they will take credit for someone else's idea or work.

Decision making is ultimately what you will be judged on as a leader, as your choices could determine the overall success of the organization. With transparency, trust, and a sharp vision, you will find that your team will stand behind your decisions

Leaders set the example and encourage team members to experiment without being afraid of making mistakes. Experimentation is a major key to growth. (Loredana Tintar)

- ▶ *Welch's vision eliminated barriers and distinctions between domestic and foreign operations, he wanted everyone to work together as equals. Leaders can lead by example by building teams and seeking advice from people who have all types of roles in the organization.*

Jack Welch's believed in putting values first without focusing too much on the numbers. He may have gone about it the wrong way by firing those who did not comply. Therefore, the employees which aligned whit company values, are more likely to recommend their employer as an exceptional place work. Company values support a more comfortable, happier workplace.

He believed that leaders should make a big deal out of small wins, you can boost morale and make employees feel appreciated when you celebrate their wins with them. (Loredana Tintar)

SPEAKER'S NOTES

BENEFITS OF LEADERSHIP STYLES - SEBASTIAN G BONCU

Affects productivity in a good way- The leadership style that is applied will meet the demands of the members of the team, making them feel more comfortable, and favorably affect workplace productivity. This will be accomplished by establishing an atmosphere that is more comfortable for team members.

Create solid bonds of trust and friendship.-In order to be successful in any organization, a leader must be able to listen and communicate effectively. If you're good at active listening, you'll be able to anticipate problems and adjust your leadership style accordingly.

Change towards improved performance-By giving employees help based on what they need, you can boost their morale, confidence, and determination. Situational leaders take a laid-back approach with highly skilled and dedicated workers. This can inspire other employees (who are less confident or have less experience) to work to their full potential, which boosts the performance of the company.

Adjust to changing needs- Leaders who are flexible don't get distracted or lose interest when things change, and new problems come up. By balancing short-term problems with long-term goals, leaders can keep moving forward even when things are uncertain.

Impact on employee retention- Staff morale and enthusiasm have always been major factors in determining how long businesses keep their current staff. A leader may avoid poor morale and high turnover by communicating effectively, fostering team cohesion, and providing a feeling of belonging.

PRINCIPLES OF LEADERSHIP – SEBASTIAN G BONCU

LEADERSHIP FREQUENTLY AFFECTS THE COMPANY'S SUCCESS. DIFFERENT LEADERSHIP STYLES WORK FOR DIFFERENT LEADERS. DUE IN PART TO THESE VARIANCES, EACH LEADER MUST HAVE A UNIQUE SET OF BELIEFS FOR THEIR BUSINESS.

- 1.LEAD BY EXAMPLE -** SUCCESSFUL LEADERS MODEL BEHAVIOR AND TASK PERFORMANCE. LEADERS INSPIRE AND EXEMPLIFY POSITIVE CONDUCT. . IF THE LEADER DOESN'T BELIEVE, IT'S HARD FOR OTHERS TO. LEADING BY EXAMPLE SHOWS THE FOLLOWERS THAT YOU'RE CONFIDENT AND DEVOTED, WHICH MAY INFLUENCE THEIR CONDUCT.
- 2.LEADERSHIP IS ABOUT PEOPLE-** LEADERSHIP REQUIRES TEAM COMMUNICATION. LEADERSHIP IS HARD WITHOUT THE ABILITY TO SHARE YOUR VISION. LEADERS MAY WORK TO IMPROVE TEAM RELATIONSHIPS. THIS INCLUDES BOTH UPPER- AND LOWER-LEVEL MANAGEMENT. LEADERS MAY INCREASE THEIR SOCIAL SKILLS, CONNECTIONS, AND INFLUENCE.

3.**Focus on change-** Every leadership strategy requires transformation. They may be more motivated to change when they know the direction. Leaders inspire change and growth. Positive transformation is essential for non-financial objectives. Concentrate on the company's goal and change personnel.

4.**Admit mistakes-** Everyone makes mistakes, but leaders who own theirs may be more accessible. Errors may help you better. . Leaders who admit fault may be more respected and listened to.

5.**Understand the value of listening-** Leaders must inform staff. Leadership requires this responsibility, but you may also listen to your staff. Listening may help you lead. Leaders listen to understand, not to agree. Intellectual and emotional understanding are human. Understanding someone's words is intellectual. . A successful leader needs intellectual and emotional understanding. When a leader listens and thinks, people feel appreciated.

6. **Promote diversity-** Leaders may embrace diversity and use its benefits. The same background and experience indicate limited competence. Employees with varied skill sets and knowledge may help you uncover new views. Diverse teams are essential for leaders.

7.**Work together to achieve more-**.Every strong leader knows his value. Organizations may cooperate without hurting competitiveness. Leaders may maximize success by embracing collaboration.

8.**Have solid values-** Leaders inspire and motivate with a clear vision and strong principles. Values make you a trustworthy leader. Every firm needs profit, but leaders have other goals. Workers like a nice team, flexible hours, and a career that makes a difference in their neighborhood. People want to work with a leader that knows their beliefs and follows their own.

9.**Use technology and innovation-** Leaders may profit from technology's extensive adoption in the workplace. Technology may improve a company's operations, productivity, market expansion, and vision. . International teams may now collaborate. Leadership requires knowledge of an organization's technology. Increase productivity by improving how the company and its workers utilize relevant technologies. Understand potential obstacles and how to overcome them.

10.**Help to develop future leaders-** Good leaders make sure someone else can take control when needed. Leaders are forward-thinkers. A pre-established strategy that leaves no gaps without guidance may assist the company. Leaders encourage future leaders and respect education and skills.

LIMITATIONS OF LEADERSHIP STYLES - SEBASTIAN G BONCU

Leaving or standing apart from the team You may seem arrogant and uncaring if you appear to be above your colleagues. Employees prefer to know their leaders care and respect their teams' efforts. This may cause employee anxiety and a lack of faith in you as a leader, as well as damage your relationships with colleagues and subordinates.

Criticizing too much Overly critical managers may always find something to criticize about their employees' performance, productivity, or other qualities. This may lead to staff burnout, disrespect for managers, and lack of desire for shared objectives. Constant criticism may seem useful, but it might make workers feel like they'd be better off elsewhere.

Micromanaging employees Micromanaging involves regularly monitoring a team or employee to ensure they are executing their job, but in a manner that shows a lack of trust. Micromanagers may worry about losing control or appearing authoritative. Micromanagers lack faith in their team's ability to remain on target and fulfil goals. Employee motivation and trust may diminish.

Requiring regular interaction Another leadership issue is demanding continual team communication. Technology and internet connection make it simpler than ever to remain in touch, but when leaders use this avenue to continually check up on their staff, it might reflect a drive to control everyone. Resentment and working anxiety might result from this process.

Behaving dishonestly - Leaders must be trustworthy. Nonetheless, a leader's lack of integrity or dishonesty in communication might damage their team's perception of them. Dishonesty and lack of integrity may make workers distrust leaders.

Failure to communicate clearly Leadership weaknesses include not setting clear expectations and limits. Failure to create clear expectations of duties, workplace behavior, and behavior may lead to employee confusion. Employees might lose motivation and productivity without a clear method to measure success.

An absence of well-defined ends Vague goals hurt leaders' teams. Without defined goals, goods, staff, and workplaces may suffer. Workers may become lost without direction.

Not giving constructive feedback Not giving employees constructive feedback is another leadership mistake. A leader should explain why and how an employee is performing well or poorly. Quantifiable, actionable feedback is best. Evaluation should be scheduled. Without it, employees won't know if they're doing well or not, making them demotivated.

CHALLENGES OF LEADERSHIP STYLES – SEBASTIAN G BONCU

1. HONING EFFECTIVENESS THIS LEADERSHIP CHALLENGE INVOLVES IMPROVING WORK ABILITIES INCLUDING TIME MANAGEMENT, PRIORITIZING, STRATEGIC THINKING, DECISION-MAKING, AND WORKPLACE FAMILIARITY.

2. INSPIRING OTHERS THIS IS THE CHALLENGE OF INSPIRING OR ENCOURAGING TEAM MEMBERS TO WORK SMARTER AND BE HAPPY.

3. DEVELOPING EMPLOYEES THIS IS THE CHALLENGE OF DEVELOPING OTHERS, INCLUDING COACHING AND MENTORING EFFECTIVELY.

4. LEADING A TEAM TEAM-BUILDING, GROWTH, AND MANAGEMENT ARE FURTHER CHALLENGES. THIS INCLUDES HOW TO CREATE PRIDE, OFFER SUPPORT, SUCCESSFULLY COLLABORATE, MANAGE A LARGE TEAM, DEVELOP TEAM RULES, AND LEAD A NEW TEAM.

5. GUIDING CHANGE. CHANGE LEADERS MUST MANAGE, MOBILIZE, COMPREHEND, AND LEAD CHANGE, WHICH IS DIFFICULT. IT NEEDS UNDERSTANDING HOW TO LIMIT REPERCUSSIONS, OVERCOME RESISTANCE TO CHANGE, AND MANAGE TEAM RESPONSES TO CHANGE.

6. MANAGING STAKEHOLDERS MANAGING WORK RELATIONSHIPS, POLITICS, AND IMAGE CONSTITUTES THE FINAL LEADERSHIP CHALLENGE. THIS INVOLVES SECURING MANAGEMENT SUPPORT, MANAGING UP, INFLUENCING OTHERS, AND GETTING BUY-IN FROM OTHER DEPARTMENTS, ORGANIZATIONS, OR PEOPLE.

Speaker Notes (Corina Iorga)

1 Leadership is the ability to inspire a group of individuals to work together towards the accomplishment of a common objective. This can mean directing employees and colleagues in a business setting with a strategy to meet the requirements of the company.

Leaders who are truly invested in their teams' futures use their interpersonal skills to inspire their employees to reach their full potential. It's not about being nice or understanding; it's about understanding people and using that knowledge to your organization's advantage.

Some people say that a leader is part of management team, but Leadership has nothing to do with how long someone has been with a company or where they stand in the hierarchy. When people talk about the leadership of a company, they usually mean the top executives. They are just executives in charge.

You don't become a leader just because you make a certain amount of money or manage a group of people.

People won't need a title to lead so A leader can be anyone who can influence society towards achieving one goal.

2. One of the examples of leaders is `Jack Welch who was a successful business leader and CEO of GE 1981-2001. He raised its market capitalization by 4000%.

Jack's leadership style was unique, as a leader he was charismatic and demanding at the same time. The most important thing that would describe him is that he always wanted decentralization by encouraging and pushing his employees to take the risks. His management idea was based on boundaryless organizations otherwise the bureaucratic and hierarchies' structures would stop the innovation and creativity.

As a leader Jack implemented a performance management system which was meant for promoting the best employees, he also implemented "Rank and Yank" system which was designed to rank their employees according to their skills and the rest were let go.

Jack Welch demonstrated how leadership and management theories can be applied in life to obtain success.

3. The goal of transformational leadership is to instil a desire for change and to empower those around you. Using following components:

Intellectual stimulation- which promotes innovation by emphasising new experiences and growth.

Individual consideration- Mentoring employees and helping them realise their potential builds positive relationships.

Inspirational motivation- models a vision for organisation and team,.

Idealised Influence- designs employee behaviour, earning trust and respect.

4. The leadership style known as transactional leadership, which is also known as managerial leadership, is one in which leaders rely on rewards and punishments to achieve optimal job performance from their subordinates.

Contingency. Transactional leadership uses extrinsic motivation. If they succeed, workers get bonuses.

Active exception management. Transactional leaders automatically use active monitoring to anticipate and resolve issues.

Exceptional passive management. Transactional leaders don't interfere with the team unless performance standards aren't met.

Transactional leadership assumes that subordinates have the following traits:

Lacks Initiative

Influenced by the prospect of gain and loss

Follow the well-defined guidelines

Must be controlled and overseen

SPEAKER'S NOTES (PETRU VOLOCEAI)

➤ Introduction

About General Electrics (GE). Founded by Thomas A. Edison in 1889. Today the General Electric Company (GE) is a multinational American company. GE has been inventing the future of industry for over 125 years. GE is best known today for its work in **the power, renewable energy, aviation, and healthcare sectors**.

Leadership style and characteristics are particularly. As each leader find himself, and his company in a particular concept.

The study is going to describe Jack Welch, the CEO of GE to understand the vested qualities of this leadership method.

The aim of this analysis is to understand theory and how to apply Leadership and Management theory's in practice.

➤ Theoretical perspectives (Leadership)

What are leadership theory and leadership style?

Leadership theory investigates what makes a good leader. Psychologists study and refine leadership theory, and researchers look for traits or behavioural patterns that characterise effective leaders.

6 main leadership theories

- o Great Man theory
- o Trait theory
- o Behavioural theory
- o Transactional theory
- o Transformational theory
- o Situational theory

According to the great man theory of leadership, great leaders are born with all of the necessary personality traits such as intelligence, courage, confidence, intuition, and charm. This theory, which was popular in the nineteenth century, asserts that you cannot develop leadership skills; you either have them or you don't. Opponents of this theory claim that its basic assumption is unrealistic.

➤ Theoretical perspectives (Management)

Management theories are sets of rules designed to guide the management of an organisation, business, or other group. Managers can use them to develop strategies for achieving organisational goals and methods for motivating employees.

Benefits of using theories

- Increased productivity
- Simplified decision-making
- Increased collaboration
- Increased objectivity

SPEAKER'S NOTES (PETRU VOLOCEAI)

Types of management theories

- Theory X and Y
- Administrative management theory
- Bureaucratic management theory
- Human relations theory
- Systems management theory
- Contingency management theory
- Scientific management theory

Theory X and Y were developed by Douglas McGregor. He stated that management styles were guided by managers' perceptions of their team members' motivations. Managers who assume their employees are apathetic employ Theory X, authoritarianism. Theory Y, participative management, is used by managers who assume committed, self-motivated, and responsible employees. According to this theory, theory X is best suited for large work environments in order to secure employees' focus on meeting organisational goals, while theory Y is best suited for smaller businesses where employees are more easily involved in decision-making and where they encourage the implementation of creativity.

➤ Theoretical perspectives (Jack Welch)

Transformational theory perfectly describes Welch's leadership rules.

- Leaders vigorously upgrade their team, using every engage as an opportunity to build self-confidence, evaluate, and coach.
- Leaders ensure people not only see the vision, but also they breathe and live it.

Contingency management theory

According to this notion, not every issue can be managed using the same strategy. According to Fiedler, managers' character qualities affected how they led their teams. This theory places a great focus on the necessity for leaders to be adaptable and pick their finest qualities based on their present work environment.

Welch intended to "work out" GE's foolishness and persuade people to "work out" issues that hindered their work in order to attain a boundaryless state; as a result, the Work-Out concept was created (Slater 132).