

Jeff Bezos:

Leadership Theories and Styles

**A analyse of Amazon CEO
leadership approaches.**



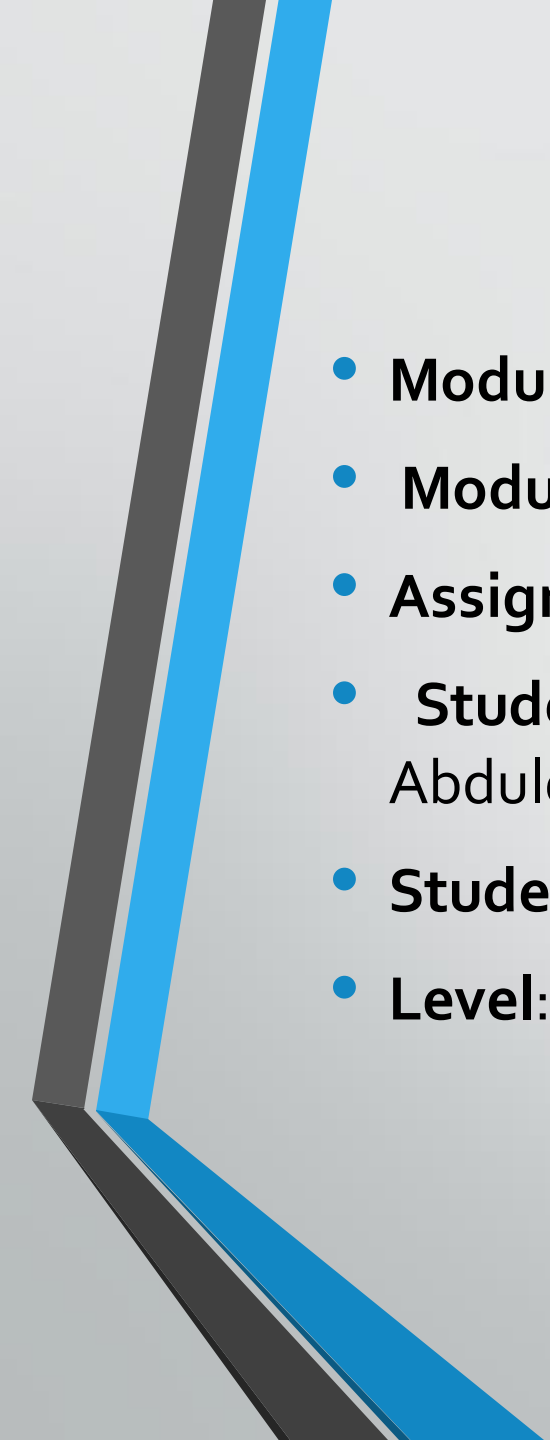
- 
- **Module:** Leadership and Management Theory and Practice
 - **Module Code:** LCBB6003
 - **Assignment:** Assessment 2 – Group Essay
 - **Students names:** Mattia Bianco, Renata Farkas, Khadija El Maski, Jabir Abdulqadir Nur, Alina Precup
 - **Students numbers:** 1818041, 1910087, 1818675, 1816777, 1909644.
 - **Level:** 6

TABLE OF CONTENTS

- Mattia Bianco - Team Leader - (1818041) - Introduction
- Alina Precup (1816777) - The Great Man Theory
- Khadija El Maski (1818675) - Autocratic Style
- Jabir Abdulqadir Nur (1909644) - Democratic Style
- Renata Farkas (1910087) - Transformational Style
- Mattia Bianco (1818041) - Transactional Style
- Mattia Bianco (1818041) - Conclusion
- Reference list

Introduction

- **Leadership:** The discipline of inspiring, supporting and influencing a team of employee to accomplish tasks. (Peter Northouse, 2022)
- **Jeff Bezos: Leadership Theories and Styles –** Presentation analysis and aims.



Introduction – The Great Man Theory

- Jeff Bezos is an entrepreneur and a visionary leader
- Clarity of purpose, self-confidence, ambition, success oriented, imagination, independence, and flexibility are the primary traits of an effective entrepreneur (Breuer & Szillat, 2019).
- Great people are born leaders who hold authority independent of social, organisational, or historical background
- Readiness to submit, desire to lead, self-confidence, ability to tolerate failure, honesty and integrity, perseverance, cognitive abilities, intellectual career, emotional stability (Jaqua & Jaqua, 2021).
- When Jeff Bezos chose to leave his position on Wall Street, he had a strong intuition that his new business concept for an online retail platform would provide him the chance to expand on his ideas.
- The great man is self-assured and has a large ego. In addition to honesty and decency, Jeff Bezos feels that one of the most important attributes of a leader is the bravery to "speak the truth".



Leadership Styles

- Bezos, is a charming and visionary entrepreneur. Entrepreneurs and charismatic leaders, according to Skloozer and Todorovic (2006), have one thing in common.
- Subordinates are typically drawn to charismatic entrepreneurial leaders who display a desire to achieve goals, take risks, bring value to the organisation, and take charge of the business (Breuer & Szillat, 2019).
- Growth is on the rise in organisations like Amazon, and the major goal of leaders (Bezos) is constant growth; they are passionate and determined.
- Bezos also has a good capacity to adapt to change, stating that if you stick to what you know, you'll miss out on a lot of chances.



JEFF BEZOS' Effectiveness

- Jeff Bezos has proven that he can lead Amazon through change by making it the most customer-centric corporation on the planet (Gradinaru et al., 2020).
- His visionary entrepreneurial leadership style helps him to adapt to change. His charisma for managing organisations in a range of scenarios is further demonstrated by his transformative leadership style (Breuer & Szillat, 2019).
- He can lead firms of all backgrounds in many scenarios based on these transferrable skills and his characteristics (charisma, creativity, energy, strong ego, honesty and integrity, social skills).



Introduction – Democratic Style

- Leadership skills assist individuals in upgrading their listening and critical thinking skills using which problems are being identified
- . Leaders with assistance of their skills and attributes develop compliance with the team and train them for strengthening skills and attributes.
- This study emphasises on leadership strategy adapted and applied by Jeff Bezos in an account in which a fortune of £10 billion has been earned by him.

CRITICAL EVALUATION OF EFFECTIVENESS OF JEFF BEZOS' LEADERSHIP QUALITY

- Jeff Bezos always emphasised on long-term goal development which included and involves needs and necessities of customers and employees.
- Democratic leadership is the theoretical attribute applied by the CEO of Amazon for intensifying organisational sustainability and growth.
- Solanki (2019) opined that Jeff Bezos using democratic leadership style has successfully led Amazon towards success in international market.
- In 2021, due to this effective leadership strategy implied by Jeff Bezos, Amazon generated almost \$31,914 million (Statista, 2022).
- As per observation and analysis of Topchyan and Woehler (2021), it has been witnessed that Jeff Bezos using his democratic leadership style has successfully provided job satisfaction among its employees.
- Employee retention score of Amazon is stable owing to this leadership approach by CEO of this company.
- Out of 100 employees almost 73 are satisfied with this strategy of company and appreciate the approaching methods of the CEO (Comparably, 2022).

Conclusion

- Jeff Bezos is making use of democratic leadership to enhance organisational running with its capability.
- Employees with assistance of this leadership approach are strengthening sustainable growth and development in market and are complying with customers.

Introduction – Authoritarian Style

- "Customer focus," "commitment to highest standards," and "thinking large" are just some of Amazon's core principles, according to the company. Every single one of these principles is based on the personality of its creator. Jeff Bezos is said to govern in an authoritarian manner, which is the basis for this critique (SUDHA, K.S. and M, G.S., 2020).

Authoritarian style of leadership

- Authoritarian leadership is used by Jeff Bezos to motivate his staff by rewarding and punishing those who disobey him.(Gultom, J. and Budiyanto, B., 2022,).
- In this kind of leadership, there is a clear line of command and the positions don't often overlap (Chiang, J. T.-J. et al. 2021).
- He has surrounded himself with lower-level executives who do not challenge his judgments or authority.
- Employees' individual performance is constantly monitored and compared to that of their colleague (SUDHA, K.S. and M, G.S., 2020).

Adverse consequences of authoritarian leadership style

- Bezos has implemented a culture of metrics. As a result, a competitive climate has developed, making many people uncomfortable at work (Gultom, J. and Budiyanto, B., 2022,).
- In order to maintain this work ethic, Bezos has created a tough and ambitious work environment.
- It's then up to Amazon's executives to live up to the company's values and mission (Chiang, J. T.-J. et al. 2021).
- Moreover, there have been some concerns regarding a competitive and even hostile work climate, as well.

Introduction – Transformational Style

- While many companies have been affected hard by the epidemic and the beginnings of what appears to be the greatest economic catastrophe since the Great Depression of the 1930s. But regardless of the Pandemic, Amazon's shares have soared by 70 percent. Its share price surged by 8 percent to a record \$3,197 ((Neate, R., 2020).
- All of this could not be possible without effective and efficient leadership of Jeff Bezos. In this regard, this analysis is based on the claim and critical evaluation of the claim that Jeff Bezos exhibits the characteristics of transformational leader.

Jeff Bezos- A Transformational leader

- In order to inspire, motivate, and empower workers, leaders use transformational leadership.
- Jeff Bezos has been referred to be a transformative leader because he is motivated by his passion and his vision (Gradinaru, Toma, Catana, and Andrisán, 2020).
- In addition to having a clear vision, it's important that he makes that vision clear to his team members. Everyone on the team has to be on board with this vision.
- Bezos was able to earn so much money during the coronavirus crisis because of his leadership team's remarkable performance during COVID-19 due to these attributes (O'Reilly, and Chatman, 2020).

How transformational leader?

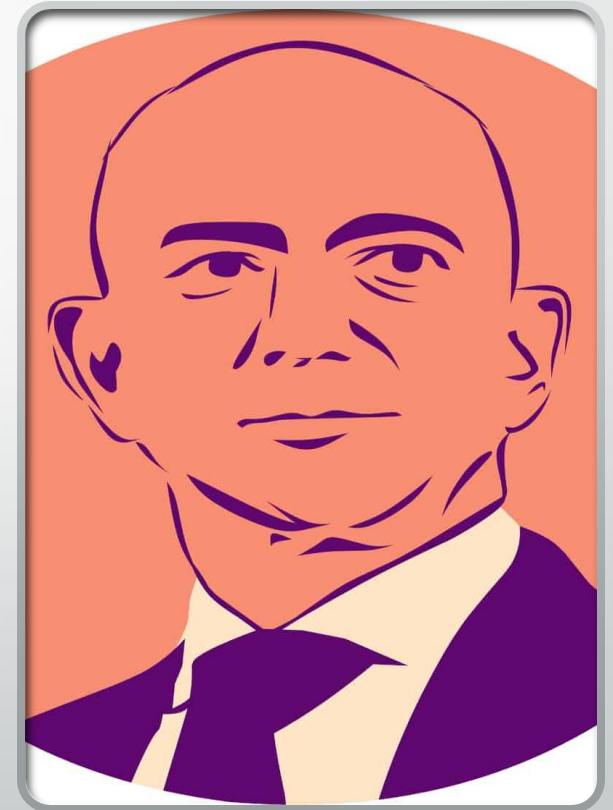
- Known to be a transformative and task-driven leader, Bezos blends the best of both worlds. As part of his attempts to develop a successful firm, Bezos searched and continues to seek out methods to become inventive. He is a leader with a talent for creating and implementing unique ideas (Breuer, and Szillat, 2019).
- Ultimately, Jeff Bezos has proved to be the most powerful leader of our time. He is able to manage a disruptive business, create involvement via cultural change, communicate persuasive narratives about the future and establish a road map for development before disruption happens (Gradinaru, Toma, Catana, and Andrisán, 2020).

Transactional Style – Introduction

- Ø **Starting as online library:** "There's no guarantee that Amazon.com can be a successful company. What we're trying to do is very complicated" (Jeff Brezos, 1999)
- Ø **Leadership Impact:** Thanks to its Leadership approaches includes Transactional style, Jeff Brezos leads its company Amazon to be one of the most valuable company in the world. (Tom Huddleston, 2021).

Transactional Style – Jeff Bezos

- Ø **Transactional Leadership:** transactional leadership is a style of leadership in which the leader promotes compliance of his followers through both rewards and punishments. (JAMES ODUMERU and IFEANYI Ogbonna, 2013)
- Ø **Jeff Bezos' Managerial Leadership effect**
Amazon values and behaviours within its internal members and operations. (Jodi Kantor and David Streitfeld, 2015)
- Ø **Fearing of Mediocrity:** Creation of a great working-direction - task succeeding environment to achieve excellent result. (Olaitan Awodesu, 2018)



(Smallbusinessify.com, 2022)

Transactional Style – The Amazon Way and its effect

Ø Jeff Bezos's implemented the **Amazon way** of working:

- I. Enforcing its **idea of working** (Olaitan Awodesu, 2018)
- II. Considering the **consumers' expectations** over the employee's needs. (nytimes.com, 2021)
- III. Inspiring its members to be strongly critically with each other's.

Ø **Perception of unsafe and unprotection feelings** between the employees. (Michael Sainato, 2020)



Conclusion

- **Leadership:** The Importance and Effect. (Hafiz Dahnin, 2015)
- **Improving employee satisfaction** to improve Brand reputation and Company performance. (Masooma Javed, Rifat Balouch, Fatima Hassan, 2014)

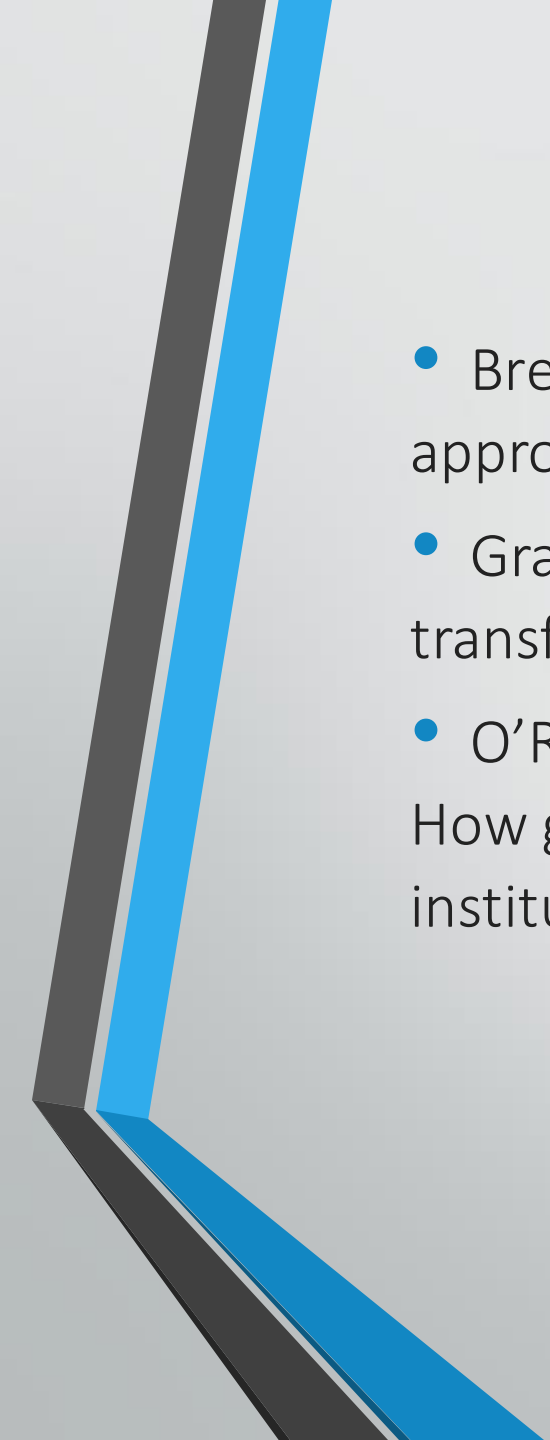


Reference List

- Breuer, S. and Szillat, P., 2019. Leadership and digitalization: Contemporary approaches towards leading in the modern day workplace.
- Jaqua, E. and Jaqua, T., 2021. The Three-Skill Approach to Leadership. *Arch Fam Med Gen Pract*, 6(1), pp.176-177.
- Gradinaru, C., Toma, S.G., Catana, S. and Andrisán, G., 2020. A view on transformational leadership: The case of Jeff Bezos. *Manager*, (31), pp.93-100.

- Northouse. (2022). Leadership : theory and practice (9th edition). SAGE. Available at: https://librarysearch.uwtsd.ac.uk/discovery/fulldisplay?docid=alma99100428400502421&context=L&vid=44WHELF_UWTSD:44WHELF_UWTSD_VU1&lang=en&search_scope=MyInst_and_CI&adaptor=Local%20Search%20Engine&isFrbr=true&tab=Everything&query=any,contains,leadership%20theory
- Bonsu, S. and Twum-Danso, E., (2018). Leadership style in the global economy: A focus on cross-cultural and transformational leadership. *Journal of Marketing and Management*, 9(2), pp.37-52.
- Comparably., (2022), Amazon Retention Score, Available at: <https://www.comparably.com/companies/amazon/retention> [Accessed on: 6th April 2022]
- Eizaguirre, S. and Parés, M., (2019). Communities making social change from below. *Social innovation and democratic leadership in two disenfranchised neighbourhoods in Barcelona*. *Urban Research & Practice*, 12(2), pp.173-191.
- Forbes., (2018), How Does Amazon Do It? Five Critical Factors That Explain Amazon's Incredible Success, Available at: <https://www.forbes.com/sites/robertbtucker/2018/11/01/how-does-amazon-do-it-five-critical-factors-that-explain-amazons-incredible-success/> [Accessed on: 5th April 2022]
- Solanki, K., (2019). To what extent does Amazon. Com, Inc.'s success accredited to its organizational culture and ND Jeff Bezos's leadership style. *Archives of Business Research*, 7(11), pp.21-40.
- Statista., (2022), Amazon net sales in the United Kingdom (UK) 2010-2021, Available at: <https://www.statista.com/statistics/1035592/net-sales-amazon-united-kingdom-uk/> [Accessed on: 4th April 2022]
- Topchyan, R. and Woehler, C., (2021). Do Teacher Status, Gender, and Years of Teaching Experience Impact Job Satisfaction and Work Engagement?. *Education and Urban Society*, 53(2), pp.119-145.

- Chiang, J. T.-J. et al. (2021) 'We have emotions but can't show them! Authoritarian leadership, emotion suppression climate, and team performance', *Human Relations*, 74(7), pp. 1082–1111. doi: 10.1177/0018726720908649.
- Gultom, J. and Budiyanto, B., 2022, March. AUTOCRACY LEADERSHIP IN IMPROVING ORGANIZATIONAL PERFORMANCE. In *International Conference of Business and Social Sciences* (pp. 33-48).
- SUDHA, K.S. and M, G.S., 2020. Narcissism personality trait and performance: task-oriented leadership and authoritarian styles as mediators. *Leadership & Organization Development Journal*, 41(2), pp. 280-293.

- 
- Breuer, S., & Szillat, P. (2019). Leadership and digitalisation: Contemporary approaches towards leading in the modern day workplace
 - Gradinaru, C., Toma, S. G., Catana, S., & Andrisán, G. (2020). A view on transformational leadership: The case of Jeff Bezos. *Manager*, (31), pp.93-100
 - O'Reilly, C. A., & Chatman, J. A. (2020). Transformational leader or narcissist? How grandiose narcissists can create and destroy organisations and institutions. *California Management Review*, 62(3), pp.5-27

- Malter, J., 2019. Jeff Bezos has an ambitious vision for Amazon in 1999 interview. [online] CNBC.COM. Available at: <<https://www.cnbc.com/2019/02/08/jeff-bezos-1999-interview-on-amazon-before-the-dotcom-bubble-burst.html>> [Accessed 24 April 2022].
- Huddleston Jr., T., 2021. 5 of Jeff Bezos' best lessons for success from his 27 years as Amazon CEO. [online] cnbc.com. Available at: <<https://www.cnbc.com/2021/07/05/jeff-bezos-best-lessons-for-success-from-his-27-years-as-amazon-ceo.html>> [Accessed 24 April 2022].
- ODUMERU, J. and OGBONNA, I., 2013. Transformational vs. Transactional Leadership Theories: Evidence in Literature. International Review of Management and Business Research, [online] 2(2). Available at: <<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.681.7768&rep=rep1&type=pdf>> [Accessed 25 April 2022].
- Kantor, J. and Streitfeld, D., 2015. Inside Amazon: Wrestling Big Ideas in a Bruising Workplace (Published 2015). [online] Nytimes.com. Available at: <<https://www.nytimes.com/2015/08/16/technology/inside-amazon-wrestling-big-ideas-in-a-bruising-workplace.html>> [Accessed 25 April 2022].
- Awodesu, O., 2018. Critical Reflection on personal leadership skills and leadership style of Jeff Bezos. *University of East London*, [online] Available at: <https://www.researchgate.net/publication/323547822_Critical_Reflection_on_personal_leadership_skills_and_leadership_style_of_Jeff_Bezos> [Accessed 25 April 2022].

- SmallBusinessify.com. 2022. *Jeff Bezos Leadership Style*. [online] Available at: <<https://smallbusinessify.com/jeff-bezos-leadership-style/>> [Accessed 25 April 2022].
- Awodesu, O., 2018. Critical Reflection on personal leadership skills and leadership style of Jeff Bezos. *University of East London*, [online] Available at: <https://www.researchgate.net/publication/323547822_Critical_Reflection_on_personal_leadership_skills_and_leadership_style_of_Jeff_Bezos> [Accessed 25 April 2022].
- Nytimes.com. 2022. *The Amazon That Customers Don't See*. [online] Available at: <<https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html>> [Accessed 25 April 2022].
- Sainato, M., 2020. 'I'm not a robot': Amazon workers condemn unsafe, grueling conditions at warehouse. [online] the Guardian. Available at: <<https://www.theguardian.com/technology/2020/feb/05/amazon-workers-protest-unsafe-grueling-conditions-warehouse>> [Accessed 25 April 2022].
- Iqbal N, Anwar S, Haider N, 2015. Effect of Leadership Style on Employee Performance, *Arabian Journal of Business and Management Review* [online] 5(5). Available at: <https://d1wqtxts1xzle7.cloudfront.net/43312296/effect-of-leadership-style-on-employee-performance-2223-5833-1000146-with-cover-page-v2.pdf?Expires=1650644619&Signature=JJPHUCXeJwguqDTfUnPOI-Nd4rhDZPoKoDEiPu643yyIW~OeDciDUkLFFlXrq~4nxn5qF~b1hHGSbj2GUr0Ue02B5fn6sGA-VcU3~Hx50OCfs4yVPXnL8P726NiWTsiIRcvBNHaider-zbCgivmg7zoMHV4O5IJkRfoE8Vxqk2dYj19mL8YJGNgySqZn4s0zgEqdsZcuHKd~-u5~gdD9J--BvPQ__&Key-Pair-Id=APKAJLOHF5GGSLRBV4ZA> [Accessed 25 April 2022].
- Javed, M., Balouch, R. and Hassan, F., 2014. Determinants of Job Satisfaction and its impact on Employee performance and turnover intentions. *International Journal of Learning and Development*, 4(2).