

Leadership And Management Theory And Practice

LCBB6003

Group Members

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Introduction

- Leadership and management are essential to the success of an organization. Leaders may better concentrate on the company with the support of theories of leadership and management in both private and public organizations.
- Jeff Bezos, a successful businessman, is Amazon's founder, executive chairman, former CEO and president.
- Jeff Bezos is a transformational and task-oriented businessman.

Leadership

- Leading a team and getting everyone on board with the goal of getting the job done as passionately and willingly as possible.
- A leader's job is one of the most difficult and time-consuming jobs in the world.
- A leader should have these qualities



Figure 1: Qualities of a Leader

Power

- Leadership and power are deeply linked concepts. The capacity to exert one 's influence onto others is one definition of power.
- To be a successful leader, you need to understand how power is exercised in an organisation and how it may be utilised to forward the objectives of the group.

Referent power	On the basis of the followers' sense of belonging to and respect for the leader
Expert power	Relying on how confident their followers are in their leader's abilities
Legitimate power	Belonging to the category of those who have official authority in their workplace
Reward power	Resulting from being able to provide benefits to others
Coercive power	Resulting from the power to impose punishments on others

Application of Leadership Trait Theory to Jeff Bezos

- Leadership trait theory focuses on a successful leader's characteristic traits that help them in gaining organizational goals effectively and efficiently.
- To understand the characteristic traits of Jeff Bezos we first need to know what makes Jeff Bezos a successful leader.
- What makes Jeff Bezos a successful leader?
 - i. Embrace the failure
 - ii. Focus on innovating a lot
 - iii. Use the two pizza team rule
 - iv. Make the best decisions early in the day



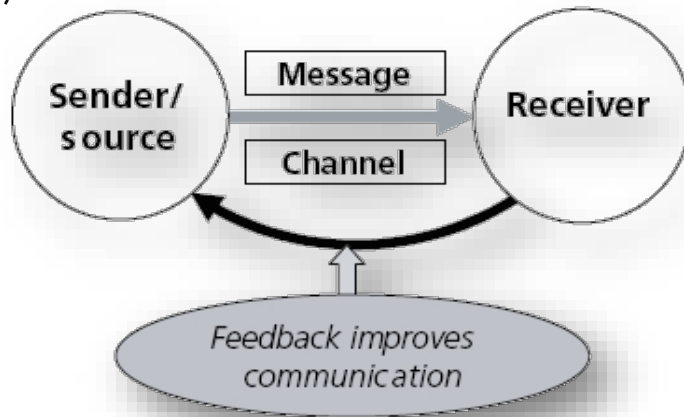
Figure 2: Leadership Traits Theory (Watson, 2019)

The Traits that helped Jeff Bezos to be Successful as a Leader

- The working principles of Jeff Bezos can help us determine the traits that made Jeff Bezos a successful leader. The traits are;
 - Adaptability and flexibility: Jeff Bezos quickly adapts to changing situations by thinking out of the box, even by embracing failure.
 - Creativity: Jeff Bezos always comes up with creative and innovative ideas
 - Divisiveness: Jeff Bezos is always confident in his alternative choices and able to make the right and appropriate decisions
 - Emotional stability: The ability to embrace failure indicates that Jeff Bezos is emotionally stable
 - People skills: Jeff Bezos possesses strong people skills
 - Self-confidence: Jeff Bezos is always confident in whatever decision he makes

Limitations of Trait Theory of Leadership and the reasons why Jeff Bezos was successful

- Firstly, the trait theory does not specifically separate the traits that are always effective in leadership in different situations
- Secondly, it does not consider the performance of the subordinates who play a vital role in helping a leader become successful in his/her initiatives
- Finally, it ignores the environmental and situational factors that also play a vital role in helping a leader become successful in his/her initiatives



- Was very much customer-oriented
- Used the superb marketing strategy
- Adopted the two way of communication
- Treated the employees like customers

Figure 3; Two way communication (Watson, 2019)

Leadership Skills – Skills Approach ~Katz's model~

- The model as a basis of persona observation
- Three identified skills : technical skills, human skills, conceptual skills.
- The technical aspect entails proficiency in knowledge in a specified mode of operation or activities in the organization (State, 2021).
- Human skills are linked to an executive's or individual's ability to carry out duties with other members of society (Richard, 2019).
- Conceptual skills give the leader the ability to consider and engage certain ideas in operation (Northouse, 2013).

Limitations of Katz model

- Difficult integration of the model
- Varied followers under varied situations
- Failure to give direction for future training



Figure 4; Global Team Development (Istock, 2020)

Application Of Katz's Model To The Case Study

- Jeff Bezos applied the human skill to ensure close relationships and operation with the employees at Amazon in the hardest times of the economy.
- The conceptual skill of Katz's model aided the executive in considering and engaging other ideas of operations different from the normal aspects of operations .
- The technical approach of Katz's model helped Bezos and the management to engage other options for profit generation in the organization.

HONEY AND MUMFORD LEARNING STYLES

- Honey and Mumford's learning theory consists of four distinct learning styles (Baharudin et al. 2017).
- This theory states that among the four learning styles people follow 1 or 2 learning styles.
- The learning styles are activist, theorist, reflector, and pragmatist (Rodríguez Cepeda, 2018).

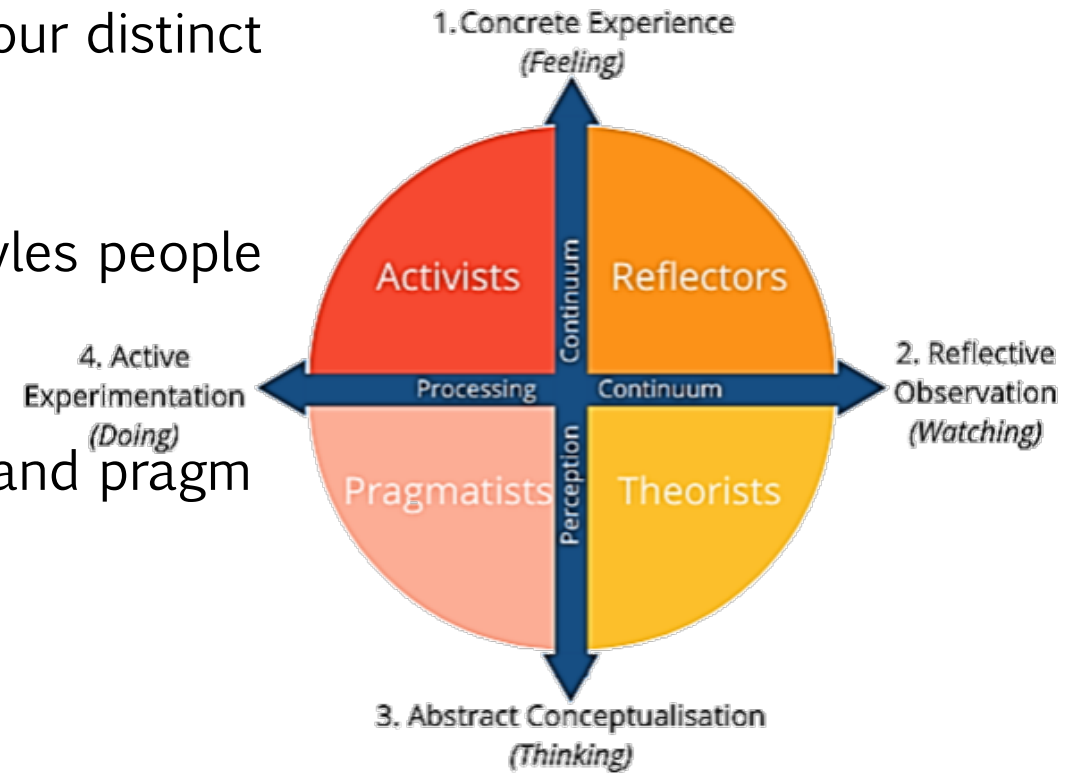


Figure 5: Four Learning Styles (Baharudin et al. 2017)

TRANSFORMATIONAL VS TRANSACTIONAL LEADERSHIP

- The transformational leadership style helps to create a vision and inspire the subordinates for required objectives (Jensen et al. 2019).
- The transactional leadership style focuses on motivating the employees involved in the task to improve their performance and the quality of the outcome (Sara vo et al. 2017).

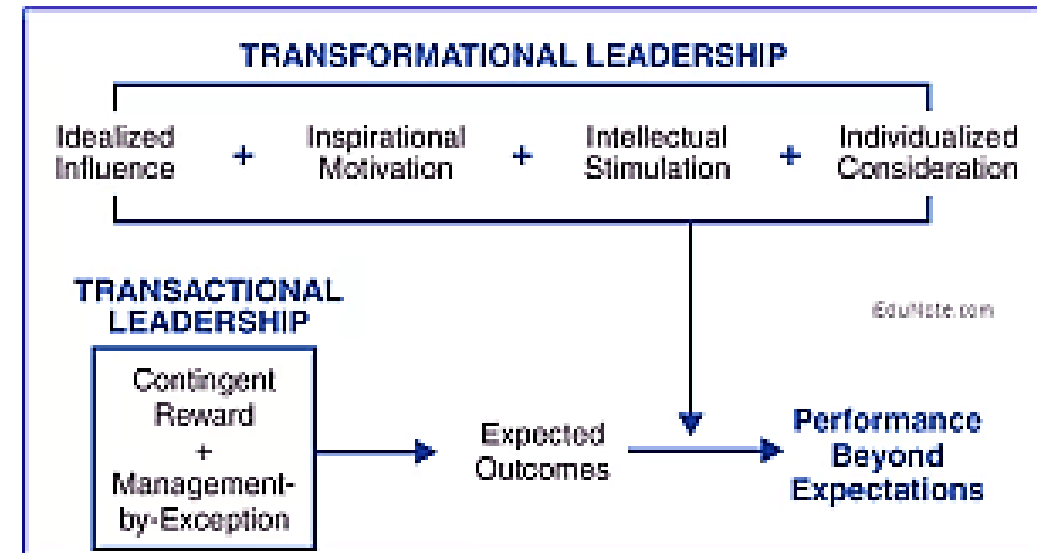


Figure 6; Transformational Vs Transactional Leadership (Jensen et al. 2019)

CASE STUDY ANALYSIS

- The CEO of the company Amazon Jeff Bezos follows a transformational leadership style and has a clear vision (Wells et al. 2018).
- Jeff Bezos started Amazon in his garage and now Amazon is the largest E-Commerce company in the world due to having a clear vision and inspiring personality.
- Amazon has adopted a democratic leadership style at this point to value the employees and increase the performance quality on the Global stage.



Figure 7: (Wells et al. 2018)

Conclusion

- Jeff Bezos's leadership demonstrates that the characteristic theory of leadership only highlights the attributes that may make a leader successful, while simultaneously neglecting all other significant aspects that also impact the efficacy of leadership.
- Jeff Bezos managed to boost Amazon's share price by 70% since the beginning of the year, while other firms were fighting to endure the effects of Covid-19.
- Jeff Bezos's unique attributes, as well as the cooperativeness of his subordinates and followers in the firm, have contributed much to his rapid rise to success.

Recommendations

- To follow Jeff Bezos' four defining characteristics: general cognitive capacity, crystallized cognitive capacity, motivation, and personality.
- Jeff, CEO of Amazon, is known for his innovative approaches to product development. Nonetheless, not all of them succeed.
- This is the area where Jeff fails to provide sufficient attention to detail, often about one or more distinct types of goods or services. Besides the realm of online retail, media is another area of interest for Jeff Bezos.

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Introduction:

Leadership and management are essential to the success of an organization. Leaders may better concentrate on the company with the support of theories of leadership and management in both private and public organizations. In addition to being a successful businessman and media tycoon, Mr. Bezos is also a computer scientist and an aspirant astronaut. He is Amazon's founder, executive chairman, and former CEO and president. There is no doubt that Jeff Bezos is a transformational and task-oriented businessman. Amazon's CEO Jeff Bezos has always been looking for new methods of transforming his business, and continues to do so. He has a reputation as a leader who is recognized for his ability to think outside the box and produce outstanding outcomes.

Leadership

When it comes to leading a team, it's all about getting everyone on board with the goal of getting the job done as passionately and willingly as possible. A leader's job is one of the most difficult and time-consuming jobs in the world. Even though it's been there for a while, it's more important than ever because to the rapid pace of globalization. Even if the topic of leadership is difficult to explore, the subsequent discussion is both interesting and puzzling.

A leader should have these qualities



Power

What thoughts do you associate with the term "power?" The term "power," which is sometimes used synonymous with the word "control," carries with it a heavy burden of negative context. We may also have a bias toward seeing predetermined leaders as authoritative rather than organic ones. Leadership and power go hand in hand with one another. To have power is to be able to exert control over other people.

To be a successful leader, you need to understand how power is exercised in an organization and how it may be utilized to forward the objectives of the group.

Referent power	Based on followers' identification and liking for the leader
Expert power	Based on followers' perceptions of the leader's competence
Legitimate power	Associated with having status or formal job authority
Reward power	Derived from having the capacity to provide rewards to others
Coercive power	Derived from having the capacity to penalize or punish others

Theory of Leadership Traits

The theory of leadership traits focuses on the characteristics of a leader that make him an actual and successful leader. Jeff Bezos is one of the most successful billionaires in the world and his earnings even crossed the earnings of Bill Gates double. This success of Jeff Bezos was only possible for his impressive innovation and leading quality. Several principles Jeff Bezos has led him to become successful as a leader. Those leadership principles are described below:

Embracing the failure: This is very interesting. Jeff Bezos loves failure rather than hates it. According to him, failure can be used as an opportunity of doing better in the future.

Sticking to innovations: If a person thinks to earn only with what he got, then the person is doing mistakes. Because he will lose a lot of opportunities and will lag very quickly. For this, the person should focus on learning and innovating more and more (Perrewe, 2011).

Using the two pizza team rule: Managing people will be more difficult as the team grows up. Because there will be so many people and delegating tasks to all the team members for one manager will become so much tough. For this, the manager should introduce and develop the new leaders in each group.

Making the best decision early in the day: Based on this concept from Jeff Bezos, the managers should make their new and highly qualified decisions before lunch to run the business for the day (Watson, 2019).

Adaptability and flexibility: Jeff Bezos quickly adapts to changing situations by thinking out of the box, even by embracing failure. This indicates that he is adaptive and flexible and does not get stuck in a rut.

Creativity: Jeff Bezos always comes up with creative and innovative ideas that can help boost the performance of his business as well as motivate the employees toward what they are supposed to do.

Divisiveness: Jeff Bezos is always confident in his alternative choices and able to make the right and appropriate decisions that can add value to the organisation as a whole.

Emotional stability: The ability to embrace failure indicates that Jeff Bezos is emotionally stable which means he can control his inventions and avoid overreactions that can cause damage to his business.

People skills: Jeff Bezos possesses strong people skills that help him to effectively interact with the team members and lead them in the right way.

Self-confidence: Jeff Bezos is always confident in whatever decision he makes and this motivates the team members to follow his decision confidently.

These are the major characteristic traits that Jeff Bezos possesses. All of the characteristic traits can help an individual to successfully lead his/her members and this is evident from the fact that Jeff Bezos has been able to increase the share price of his company by 70% since the start of the year during the Covid-19.

This indicates that the trait theory of leadership only identifies the traits that can make a leader successful but ignores all other relevant factors that also influence the effectiveness of the leadership of an individual. Jeff Bezos has a track record of success and he proved himself to be one of the most successful leaders of all time. In the case study, we can see that when other companies were struggling to survive the impact of Covid-19, Jeff Bezos managed to increase its

share price by 70% since the start of the year. This also proves how successful Jeff Bezos is as a leader. He has become extremely successful not only for his characteristic traits but also for his cooperative subordinates and followers in the company.

In conclusion, Jeff Bezos has demonstrated leadership and management traits which has proven beneficial in his field.

Katz's Leadership Model

Katz's three skills approach to leadership was comonized in 1955 prominently after the Havard Business Review detailed and published one of Robert Katz's articles, "Skills of an Effective Administrator. The study had its basis on Robert's personal interventions and observations of the leaders in the employment environments and on the study carried out in the administrative departments. The author suggested how various primary individual skills, conceptual, human, and technical, are the drivers of effectiveness in leadership and administration. The three identified skills were critical aspects among executives in their daily management duties and are applied in multiple ways. The technical aspect entails proficiency in knowledge in a specified mode of operation or activities in the organization (State, 2021). It affirms an executive's ability to apply the required techniques and tools, their analytical ability, and the competencies directed to some specific sections. Human skills are linked to an executive's or individual's ability to carry out duties with other members of society (Richard, 2019). They are the approaches that guide leaders in effective operation with superiors, peers, and subordinates. On the other hand, conceptual skills give the leader the ability to consider and engage certain ideas in operation (Northouse, 2013). Improved conceptual skills among leaders aid them in proper analysis of the organization's ideas and future vision.

Limitations of Katz's Model

Although the Katz model has been linked to high-level effectiveness, various negative aspects and considerations are linked to the model's operation. The model fails to provide the direction and guidelines for training and implementing future leadership. Individuals have found it difficult to integrate Katz's model of leadership into the current-day study of leadership aspects (Kark, Katz-Navon, and Delegach, 2015) because many of the skills may be dependent on every personal traits

and might be easy or difficult for some people to develop certain skills. The challenges have been caused by the inventor's inability to come up with the most appropriate aspects for leadership advancements (Fischer, Dietz, and Antonakis, 2017).

Application of Katz's Model to the Case Study

Katz's model integration in Jeff Bezos' Amazon case is quite evident through varied aspects. Jeff was able to make huge benefits despite other businesses making losses to the extent of closing during the pandemic because of his skills. Katz's model had a huge role in the case through the application of the three skills; conceptual, human, and technical. Jeff Bezos have human skills which allows him to work with people. Jeff applied the human skill, like effective communication, to ensure close relationships and operation with the employees at Amazon in the hardest times of the economy. The executives in the organization encouraged hardship among members to ensure the organizational activities were maintained and the operations kept running despite the huge challenge that was facing the entire world and the business environment. He was able to influence the workers to maintain a consistent track across the pandemic period and focus on the productivity, which lead to the company's rise in revenue. Katz's conceptual skill is explained by Jeff's ability to take into consideration and adopt to new operational ways, he was able to reschedule the ideas in the organization and follow the future vision of the organization. Lastly, his technique focus on the customer long-term satisfaction building new technology to serve the customers. The technical approach of Katz's model helped Bezos and the management to use appropriate tools and techniques for profit generation in the organization.

Honey and Mumford learning styles

Honey and Mumford's learning theory consists of four distinct learning styles (Baharudin *et al.* 2017). This theory states that among the four learning styles people follow 1 or 2 learning styles. The learning styles are activist, theorist, reflector, and pragmatist (Rodríguez Cepeda, 2018). The activist learning style is based on experience in new things and enjoying the challenges in the path.

Activities such as problem-solving, role-play, competition, brainstorming, and many more are enjoyed by the activist. The activist learning style is not done by analysing the data, teaching, and

learning theories. However, they always focus on experience in these things and learning from them.

Theorists like to understand models, concepts, facts, and theories and from them, they are willing to acquire knowledge and information. Activities try to gain knowledge from statistics, stories, applying theories, models, and many more and that helps to strengthen them in the synthesis and analysis of the hypothesis of the data.

Pragmatists used to apply the learning in the real world and try to experience and enjoy the process of implementing theories and techniques. The activities of pragmatists are following case studies discussion and applying theories to reality to mitigate the challenges. They also do not engage themselves without having any objective and unclear instructions regarding the theory and techniques they know.

The reflectors always focus on observing things and taking information from different perspectives. They always involved themselves in the coaching, interviews, observing activities, discussions, and many more. They also watch others from the side-line and gain knowledge from their perspective.

Transformational Vs Transactional Leadership

The transformational leadership style helps to create a vision and inspire the subordinates for required objectives (Jensen *et al.* 2019). The transactional leadership style focuses on motivating the employees involved in the task to improve their performance and the quality

According to the analysis, the transformational leadership style creates a positive impact on the organization overall due to having a clear vision and the potential to inspire the employees as well. The transactional leadership style always focuses on achieving the goals and establishing the objectives in a proper way to complete the job effectively. Transactional leaders are mostly found in line workers and manufacturing departments who have a shift-wise duty in the organization.

Case Study Analysis

The CEO of the company Amazon Jeff Bezos follows a transformational leadership style and has a clear vision (Wells *et al.* 2018). Jeff Bezos started Amazon in his garage and now Amazon is the largest E-Commerce company in the world due to having a clear vision and inspiring personality.

Amazon has adopted a democratic leadership style at this point to value the employees and increase the performance quality on the Global stage. The company has gone through multiple ups and downs in the company and involved a huge number of employees from the starting. During the Coronavirus crisis, the company supported the government and food banks of the country and increased Charity work to help the people in poverty.

Conclusion

This case analysis of Amazon's CEO, Jeff Bezos's leadership demonstrates that the characteristic theory of leadership only highlights the attributes that may make a leader successful, while simultaneously neglecting all other significant aspects that also impact the efficacy of leadership. It's safe to say that Jeff Bezos is one of the most accomplished business executives of all time, and he has a long history of accomplishment to back up that claim.

According to the case study, Jeff Bezos managed to boost Amazon's share price by 70% since the beginning of the year, while other firms were fighting to endure the effects of Covid-19. Furthermore, this demonstrates Jeff Bezos's leadership skills. His unique attributes, as well as the cooperativeness of his subordinates and followers in the firm, have contributed much to his rapid rise to success. For his part, Jeff Bezos has shown to be an effective leader and manager.

Recommendations

Leaders would do well to follow Jeff Bezos' four defining characteristics, which have contributed to his unparalleled success. There are characteristics that need attention general cognitive capacity, crystallized cognitive capacity, motivation, and personality.

Jeff, CEO of Amazon, is known for his innovative approaches to product development. Nonetheless, not all of them succeed. It highlights the fact that there was insufficient emphasis on categories. Jeff Bezos has worked in several fields, not only journalism and e-commerce.

This is the area where Jeff fails to provide sufficient attention to detail, often about one or more distinct types of goods or services. Besides the realm of online retail, media is another area of interest for Jeff Bezos. It's more probable that an entrepreneur may have difficulties in a single industry if they spread their attention too thin across many.

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