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Leadership and Management Theory and Practice

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Assignment 2- Speakers Notes

Transactional Leadership: A Case Study of Jeff Bezos

LECTURER

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Transactional Leadership: A Case Study of Jeff Bezos

The transactional leadership style focuses on the managerial process of organizing, controlling, and short-time planning (Alrowwad and Abualoush, 2020). The leadership style includes guiding and influencing followers by addressing to their interests. The leaders' power is from their responsibility and formal authority. The leaders motivate their employees through a system of punishment and rewards. They are responsible for maintaining routine through facilitating individual and group performance. Characteristics of a transactional leader are: opposed to change, focused on short-term goals, are left-brains, favour structured procedures and policies, reveal in efficiency, are inflexible, and thrive on doing things correctly.

Jeff Bezos is described as implementing transactional leadership skills in his managerial style. Bezos's leadership style involves micromanaging his followers and expecting them to meet the organizational standards (Stone, 2013). He critically codifies his notions on the working environment to extirpate all fears.

The Amazon CEO is inclined toward authoritarian compliance as he is decided to enclose his vision on new members of staff to acquire the company's way of operating. A report shows that Amazon had a system of ranking their employees' performance from top to bottom. Bezos' leadership style lacks any degree of individualized consideration for his employees, even if they

are suffering from sickness or are grieving, as they must meet the company's standards unapologetically (Hughes, 2014).

Jeff Bezos's success during the Covid-19 crisis was attributed due to his leadership qualities. The CEO encouraged his followers to be willing to take risks, be customer-focused, and be passionate and willing to serve. The leader motivates his employees by rewarding them, and his short-term defined goals are achieved quickly. Despite the crisis the leader provided a conducive environment for the employees to work. This resulted in the productivity during the pandemic. Over the years, the CEO's transactional, task-oriented, and transformational leadership has resulted in Amazon's sales, revenue, and stock price success.

Jeff Bezos's transactional leadership style has been effective. The leaders have a high degree of clarity; thus, employees know what is expected from them, and they are productive in achieving the defined goals and objectives. The leadership style monitors their employees carefully in enforcing rules, punishment during failure, and rewards for successes. Other attributes that enhance the effectiveness of Jeff Bezos's transactional leadership are his extrinsic motivation, directive, crisis management, emphasis on self-interest, emphasis on hierarchy, realism, and discourage independent thinking.

References

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