

# Leadership - what is it

Case duration (Min): **45-60**  
Principles of Management (PoM)  
Organizational Behaviour (OB)  
**Leadership**  
**Leading organizations**

**Worldwide**

## Case summary:

LEADERSHIP AND MANAGEMENT - the meaning of the concepts is explored through the terms effectiveness and efficiency.

## Learning objectives:

Explain what is meant by leadership.

Explain the apparent differences between the concepts of leadership and management.

## Case problem:

What is the difference between the concepts of leadership and management? Why must organizations understand the difference?

First, if you are taking a taught management course then consult with your tutor and ensure that the case has not been scheduled into a teaching class or tutorial. If it has not:

1. Play/ read the media associated with the case. You may need to access the Internet and enter a URL to locate any video clips.
2. Attempt the Case study questions.

Consider attempting the case study as a group exercise; you could form a study group with fellow students.

3. Check the suggested answers - remember these are suggestions only and there are often many possible answers.

Discuss questions and answers with other students.

4. If you feel your answer(s) were weak then consider reading the relevant suggested readings again (also see the case study suggested references).

## Title/ Media type

## URL/ Media description

The Goal of Efficient Leadership.

<http://ecorner.stanford.edu/authorMaterialInfo.html?mid=2075>

### Film

An executive needs to structure the enterprise to do the right thing, and a manager needs to insure that this directive is carried out in the right way. This is the first question any institution needs to ask itself of the executive, says McDonough + Partners' William McDonough. If the organization is doing the right thing, it is indicative of effective and thoughtful leadership.

### NOTES:

## Case study questions...

| Action |   | Pre/During/After class |
|--------|---|------------------------|
| 1      | <b>KEY CONCEPTS:</b><br>Organizational performance must integrate the concepts of "effectiveness" and "efficiency." Discuss the meaning of these terms within a business context.   | During                 |
| 2      | <b>PROBLEMS WITH EFFICIENCY :</b><br>Why might an extremely efficient company become an unsuccessful company? You should draw on the comments made in the film clip to support your answer.                               | During                 |
| 3      | <b>WHAT IS LEADERSHIP ?</b><br>Discuss what is meant by leadership in an organizational and business context; you should draw on the comments made in the film clip to support your answer.                               | During                 |
| 4      | <b>LEADERSHIP VERSUS MANAGEMENT :</b><br>Yukl (2006) notes that a person can be a leader without being a manager and a person can be a manager without leading. Discuss this argument in your groups – what do you think? | During                 |

## LEADERSHIP

the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives

## MANAGEMENT

coordinated activities to direct and control an organization

## EFFECTIVENESS

Doing right things

## EFFICIENCY

Doing things right

## Question/ Answer

### 1 KEY CONCEPTS:

Organizational performance must integrate the concepts of "effectiveness" and "efficiency." Discuss the meaning of these terms within a business context.

Organizational performance must integrate the concepts of "effectiveness" and "efficiency." That is, the organization must be able to meet its goals (effectiveness) and to do so with an acceptable outlay of resources (efficiency). The organization must be able to develop and implement strategies which will ensure performance over extended periods of time. In summary, the performance of organizations can be considered in three broad areas: performance in activities which support the mission (effectiveness), performance in relation to the resources available (efficiency), and performance in relation to long-term viability or sustainability (ongoing relevance). Effectiveness - Doing the right things – this may be at the operational, tactical and strategic level. Efficiency - Doing things right.

### 2 PROBLEMS WITH EFFICIENCY :

Why might an extremely efficient company become an unsuccessful company? You should draw on the comments made in the film clip to support your answer.

William McDonough states in the film clip, that if you are doing the wrong thing in the right way it is pernicious (detrimental, harmful, destructive, deadly).

### 3 WHAT IS LEADERSHIP ?

Discuss what is meant by leadership in an organizational and business context; you should draw on the comments made in the film clip to support your answer.

Leadership - "the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives"; it is arguably about effectiveness.

Most definitions of leadership infer a process whereby one-person influences another. In the case of organisational leadership, people are influenced to do what is ethical and beneficial for the organisation. Yukl (2006) defines leadership as the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives. Typically associated with the concept of influence is motivation; leadership may be considered as the ability of an individual to influence, motivate and enable others to contribute towards the effectiveness and success of the organisation.

### 4 LEADERSHIP VERSUS MANAGEMENT :

Yukl (2006) notes that a person can be a leader without being a manager and a person can be a manager without leading. Discuss this argument in your groups – what do you think?

Yukl (2006) notes a continuing controversy about the difference between leadership and management, with some writers treating them as different, to the point of being mutually exclusive i.e. that management and leadership cannot occur in the same person. Other scholars view leading and managing as distinct processes that do not assume leaders and managers are different types of people. Both processes are necessary for the success of an organisation. The relative importance of the two processes and the best way to integrate them depends upon the situation at the time. Management - coordinated activities to direct and control an organization; it is arguably about efficiency.

Historically, scholars have argued the leader and manager as different roles whereas others have deemed them synonymous. Whilst there can be evidence for both arguments, dependent upon how management and leadership is defined, Kelly (2009) takes the view that leadership is one aspect of the management role. The terms leader and manager are used interchangeably in his book to indicate people occupying positions in which they are expected to perform a leadership role. Leadership is essentially an influencing process; the process is ultimately aimed at goal achievement. The function of the leader is to ensure the organisation does the right thing (effectiveness) whilst the manager ensures things are done right (efficiency); the leader is concerned with establishing direction, the vision and organisational goals and influencing followers to obtain commitment. Consequently, the leader must be a good communicator and able to influence others-motivating and inspiring. The manager ensures goals are attained through plans, budgets, resource allocation, organisation and problem-solving. Similar functions were described by Mintzberg (1975) who distinguished interpersonal, informational and decisional roles for managers. Many scholars argue that, in practice, the distinction between leadership and management is blurred and the effective manager requires some leadership qualities.

## Case study references

Cole, G A. and Kelly, P P. (2011) 'Management Theory and Practice', Ed. 7. Cengage EMEA.

Kelly, P P. (2009) 'International Business and Management', Cengage Learning EMEA.

Williams, C. (2007) 'MGMT', South-Western College Pub.