

# Wal mart's leadership styles

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Wal Mart is a company that had started from a single store until it has become an empire. The company had started in the year 1962 which was founded by Mr. Sam Walton. Wal Mart started in Arkansas and and Kansas with small chains of stores. According to the website of the company, Mr. Sam Walton and his wife had invested 95% of their savings to establish the company. The company had become global because of the vision from Mr. Walton about a retailer understanding the needs of its customers.

In order to further understand why Wal Mart have become much of a success since the day it was founded until now can be attributed to the leadership styles of its CEOs. Mr. Sam Walton was the founder of the Wal Mart empire and Mr. Lee Scott is the current CEO of the company. The company believes in giving their employees power over the company. This has been done through the implementation of the profit sharing plan that had been introduced by Mr. Sam Walton.

Amanda Giliano had further noted in her article that the profit sharing plan give the employees a part of the company and this makes the success of their profit dependent on the company of success. In turn the employees would care about the company. At present, Lee Scott is still implementing the profit sharing plan for the employees to maintain the care of the employees to the company. From the Business Biography, it has been stated that Mr. Lee Scott believes in maintaining its relationships with its employees.

Lee Scott believes in treating the employees as business associates since they all have a share in the company. Quoting what Lee Scott had told Time Magazine " We cannot grow if we are not a great place to work. " Scott Lee

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and Sam Walton cannot be categorized as authoritarian leaders. Both leaders consider the opinion of their employees as stated in the articles from the Time and business biography. These leaders use the democratic style of leading where it is structured but cooperative approach to decision making. According to an article featured in Emporia University, Sam Walton had established the use of teamwork.

Wal Mart had been using different types of teams to accomplish different purposes. The team is usually made up of associates who work at the same area and share the same manager and tries to achieve the goal to solve the problems that they are facing in their work area. CEO Jack Welch of General Electric had further stated in CNNMoney '[In Walmart] Everybody there has a passion for an idea, and everyone's ideas count. Hierarchy doesn't matter. They get 80 people in a room and understand how to deal with each other without structure. I have been there three times now.

Every time you go to that place in Arkansas, you can fly back to New York without a plane. The place actually vibrates. " Scott Lee on the other hand, can be considered as a team player, he encouraged the managers and employees to do their work well, take risks and focus on company goals Sam Walton can be identified as a transformational leader because he had been a source of inspiration not only in Wal Mart but also in the business world. However, Scott Lee can be considered as a transactional leader. Based on his biography, Scott Lee exercises control based on knowledge.

Although he believes in teamwork, he is still the one who directs where the company would go. He believes in managing his employees through providing responsibility from managers to the lowest ranks. Being CEO's, Sam

Walton and Scott Lee is concerned about the competition and as such, both CEO's used to go to their competitors to see what's going on. According to CNN Money, in everyfamilyweekend, Mr. Walton visits the stores that he can visit to get new ideas and implement it. On the other hand, Scott Lee had done the same.

The only difference between the two is that Scott Lee had envisioned Wal Mart as an international entity and thus he had expanded to North America, Europe and Asia. This had made Wal Mart a globally renowned market. Both leaders are change agents for the company. Sam Walton had started the company and had increased the number of stores locally. Sam Walton had introduced many concepts such as profit sharing plan and team building. Scott Lee on the other hand, had turned the company around. He had started to expand globally and had also considered to delve into the manufacturing.

Although there have been many criticisms on how Scott Lee manages Wal Mart, Lee Scott is still considered as one of the good leaders in Wal Mart. The success of Wal Mart is not only reliant to the leaders of the company. It is a result of all thehard workof the employees and the companyculturethat had helped nourish the relationship between the employees and managers. Sam Walton and Scott Lee are both leaders that had increased the growth of the company.

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