Leadership vs entrepreneurship essay

The current paper relates differences between entrepreneurial and leadership styles based on analysis of the three persons, namely: Bill Gates, Steven Jobs, and Timothy Cook. The main concepts of leadership and entrepreneurship were outlined and applied to the persons who were identified. The main problem of the research is to reveal whether leadership behaviors affect career outcomes. The topic of the research is of great interest because of much attention paid by scholars and publicity to the issues of leadership qualities and their influence on career and personal development. The methodology of the project is based on analysis of secondary comprehensive and relevant data including articles, biographies, and public opinion.

Key words: leadership, personality, development, transformational, charismatic.

Introduction

Recently, the interests of publicity revolve around leadership issues. Changes in organizations are driven by the evolution of internal and external communication. Leadership qualities play an important role in these changes. Moreover, the concept of leadership had already replaced the concept entrepreneurship. Business interests switched from rigid authoritarianism, struggle for economic indicators and compliance with tough requirements to development of effective communication in the organization.

The aim of the current project is to analyze the differences between leadership and entrepreneurship, make appropriate conclusions and reflect on the leadership qualities of the person that were chosen for the analysis.

According to Manning and Curtis (2002), organizational culture evolved from hierarchy characterized by command and control to community and relationship management. This tendency introduced positive corrections into power and subordinates relations. It is important for the leaders to trace these changes and make appropriate conclusion regarding modern business tendencies.

Theoretical Background of the Research

Entrepreneurship is often characterized with the ability to plan, organize, direct, and control the process. Leadership includes wider range of qualities and skills, namely: vision, self-confidence, charisma, integrity, persistence, vitality, concern for other people, enthusiasm, ability to introduce changes, and stability.

Basically, both leaders and entrepreneurs are the persons who can recognize a need or a deficiency. They are able to design and implement a solution. The difference is that the leader is able to differentiate between primary and secondary goals, to obtain unavailable resources, and use people and resources with maximum efficiency while the entrepreneur can only profit from a solution using available resources.

There are several theories that had significantly contributed to the development of leadership concept, leadership traits and behaviors. According to leadership behavior theory, there are three types of leadership

as follows: autocratic, democratic and laissez-fair. Autocratic style is characterized by total control of activities of the group and decision making priority of the leader. Democratic style includes group participation and majority rule. Laissez-fair leader expresses little activity; he does not show any initiatives.

The founders of leadership trait theory specified three main characteristics of an effective leader, namely: clear and strong values, intelligence, and personal energy. They also outlined the six traits of an effective leader as follows: self-confidence, initiative, need for achievement, decisiveness, ability to supervise, and intelligence.

Contingency theory is one of the main theories leadership is based on. There are three factors considered in the theory – leader, followers, and situational factors. Also, leadership theory differentiates three types of leaders – charismatic, transactional and transformational.
One of the aims of this paper is to define whether the personalities analyzed belong to the category of leaders and define which type of leadership they represent.

Literature Review
Bradshaw, T., 2012. Apology Takes Apple into Uncharted Waters.

The article is devoted to the current issues with maps Apple Corporation faced not so long ago. Useful information regarding leadership styles of Steven Jobs and Timothy Cook was included. Additionally, the author offered vast information for analysis of the changes in Apple Corporation and ethical

issues which should be resolved urgently not to lose corporative prestige. Moreover, the author provided the reader with feedback from employees and customers regarding the issues related the maps. The information allows for making prognosis regarding further development of Apple Company and the way it will be managed by Tim Cook in a difficult situation.

The article is a relevant and reliable source of information for businessmen, students, and those interested in innovation and technologies. The information is fresh and provides vast material for discussion of leadership issues.

The publication was written by Timothy Bradshaw, one of the most known Internet and tech reporters of Financial Times (San Francisco). Previously he worked as digital media correspondent covering all types of media and writing articles related various marketing and technology issues. Bradshaw is currently involved in writing news mainly about innovations, trends and deals in San Francisco and Silicon Valley.

Manning, G. and Curtis, K. (2002). The Art of Leadership

The book represents combination of behavior theory and advices of business practitioners forming an integrated approach to achievement of organizational and personal success.

Central concepts are outlined in each chapter. Also, nine key leadership skills were identified.

The issues of leadership failure, personal and organizational ethics, leadership intelligence, followership, and employee engagement into the organizational processes were touched upon in the book. The author paid attention to servant leadership, emotional intelligence, cross-cultural leadership, coaching, and employee retention as well. A practical part of the book contains questionnaires, activities, and exercises which can be helpful in studying the key concepts placed in the book. The issues raised in the book represent information of great interest for business people, entrepreneurs, students, and educators because of topicality of the researched problems. The book can be recommended to anyone who is interested in personal growth.

The book can be considered a reliable source of information because its authors, George Manning and Kent Curtis, are the authors of a number of publications on the topic. Besides, G. Manning is a professor of psychology at Northern Kentucky University. K. Curtis is a professor of leadership teaching in the same university.

Willax, P., 2000. Look Beyond Mere Ownership in Defining Entrepreneurship

A comprehensive definition and explanation of entrepreneurship is given in the article. Roles of entrepreneurs were discussed as a respond on inquiry about entrepreneurs. Microsoft Corporation was used to illustrate leadership and entrepreneurship concepts. An opinion of Bill Gates regarding successful entrepreneurs' qualities was also expressed in the article. Besides, the article contains the information about entrepreneurial beginnings of famous businessmen and type of behavior expected from entrepreneurs.

Clear and relevant definition of entrepreneurship was given in the article. Interesting information about Bill Gates and Microsoft Corporation, which cannot be easily found in other sources, was placed in the article.

The author of the article, Paul Willax, is a professor of entrepreneurship who is also a chairman of the Center for Business Ownership Inc. The Center provides content for audio, video, and digital publications which can be useful for business owners, entrepreneurs, managers, students, and educators. Also, the Center has offerings for business leaders of all types including beginners and the leaders of Fortune 500 companies. Willax is an author of multiple publications devoted to consideration of various business and entrepreneurship issues. He authored the book Brass Tacks Tips for Business Ownership Inc. as well.

Hypothesis

Leadership behaviors affected career outcomes of Steven Jobs, Timothy Cook, and Bill Gates more than their entrepreneurial skills.

Research question: How do leadership behaviors affect career outcomes?

Methodology

The current research is to be undertaken by using the following methodology: outlook of biographies of chosen persons (Steven Jobs, Bill Gates, and Timothy Cook), tracing personality development, and analysis of leadership qualities. The proposed methodology is based on the analysis of personal circumstances that contributed to the development of leadership qualities, professional reputation, contribution to the company growth.

Personal characteristics were compared to the features that are typical for true leaders. The features were outlined in the section of theoretical background of this project. The method of collecting the data for the research: analysis of the relevant articles (media, Internet), analysis of leadership qualities, analysis of public recognition (life style, achievements, awards, feedback of other leaders, surveys of public opinion).

Manning and Curtis (2002) noticed that to be a good entrepreneur does not necessarily mean to be a good leader and vice versa. They outlined several traits that correlate positively with leadership concept. Among them drive for responsibility, ability to complete a task, persistence and vigor, ability to risk, ability to show initiative, social influence, guidance of subordinates, be able to influence other people by ideas and deeds. They also described the values that are typical for caring leaders, namely: honesty, excellence, persistence, commitment, consideration, responsibility. Modern leaders are those who possess not only professional skills and ability to make the company profitable, but those who can manage the companies in way which satisfies all the stakeholders. Contemporary business relates communication more than profitability. Particular attention is paid to ethics, emotional intelligence and social compliance of a leader.

Steven Jobs

The stakeholders of the company are the best judges when it comes to forming public opinion. However, public opinion can often be biased, especially if the publications are placed in the Internet. However, the

judgments represented in this project will be based on the opinion of the stakeholders of the companies placed mainly in the worldwide network.

Steve Jobs, one of the founders of Apple Corporation, had been often regarded as one of the most demanding, impulsive, and intolerant leaders. Despite of the fact he is often referred as " ingenious" and " amazing". He was awarded by The Webby Award posthumous. The award was intended to honor websites, films broadcasted online, interactive advertising, mobile apps (Stusinski, 2012). The features of charismatic and transformational leader were mixed in Jobs' leadership style. Charisma is referred by Barbuto (2005) as " the fundamental factor in the transformational process" (p. 28).

Leaders are judged by his ability to control them, recognize other people achievements and to be emotionally intelligent – the qualities Jobs failed to develop (Manning and Curtis, 2002). In his biography, Steve Jobs said about Bill Gates: " Bill is basically unimaginative and has never invented anything, which is why I think he's more comfortable now in philanthropy than technology. He just shamelessly ripped off other people's ideas" (Delawala, 2011).

He had been often considered a generator of new ideas. Moreover, he was able to make his dreams and dreams of millions of people come true. This is an evidence of his vision, persistence and enthusiasm which are doubtless advantages of a leader.

There were several issues in Jobs' biography which evidenced the lack of integrity. First, he refused to acknowledge his illegitimate daughter, cheated

on his friend Wozniak, rarely donated to charity, and often lost his temper. At the same time, his opponent, Bill Gates, was often tolerant and loyal to his old friend dismissing rumors about Jobs' biography (Delawala, 2011).

Timothy Cook

Timothy Cook, the new CEO of Apple, is less impulsive and charismatic than his predecessor. He is often described as humble, emotionally detached and calm person. He is more of a transformational type mixed with caring type of a leader. Cook expressed concerns for shareholders when he paid $100 billion in cash instead of $30 billion paid before. Expressing concerns for other people is an evidence of Cook's caring leader qualities. Thus, the company began to pay out dividends this year while Jobs strictly opposed paying dividends (Korn, 2012).

He is very successful in his career started with working for IBM for 12 years confirming stability of his personality. In 2000 he became a director of international sales and started to his career of the head of Macintosh division in 2004. After he entered a new position, Mac sales were constantly raising. Later he proceeded in his career growth to the Chief Operating Officer. Cook's impetuous professional growth is an evidence of such leadership qualities inherent in his nature, namely: persistence, self-confidence, and enthusiasm (Manning and Curtis, 2002).

The leadership style of Cook was highly appreciated by 97 percent of Apple employees. On the other hand, Jobs transformed " a $30 billion company in the early 2000s into a $500 billion-plus company" and the difference in the employees rating of Cook and Jobs is only 2 percent since he gained 95

percent of employees voices (Paczkowski, 2012). Besides, it is not known if Cook will be able to maintain Apple position in the market taking into account multiple issues with the maps (Bradshaw, 2012). Jobs' style was a little bit more entrepreneurial that Cook's, however, he was able to provide stable growth of the company and make all employees work to achieve a desired goal. Tim Cook did not give evidence in resolving company issues related effective competition in the market. Previously, Cook was the highest-paid US CEO in 2011 when he was awarded $378 million of extra remuneration for his merits. However, now he has to resolve the issues that are different from those he used to resolve before (" Apple's Tim Cook awarded $378M in 2011", 2012).

Bill Gates

Being passionate about software development, Bill Gates earned his first millions in 1978 at the age of 23 when he headed Microsoft. Now Microsoft is considered the most ethical corporation in comparison to Apple, Facebook and Google (Rosoff, 2011).

Despite of being one of the richest people in the world, Gates is often referred as humble, responsible, and strict leader. He is often held in respect by his subordinates despite of his severity at work (Arora, 2012).

When Jobs spurred him in one of his interviews, Gates responded to his colleague, Jobs, by the following: " Over the course of the 30 years we worked together, you know, he said a lot of very nice things about me and he said a lot of tough things. We spurred each other on, even as competitors. None of that bothers me at all" (Delawala, 2011).

Bill Gates has many awards including the Innovator of the Year award and Global Humanitarian in 2006. He earned the title of Knight Commander of the Order of the British Empire for his contribution to the economy of Great Britain in 2005. Thus, his talent was recognized meaning that his leadership talent was in demand (Jurrien, 2006).

The Ethisphere Institute called Microsoft one of the most ethical companies in the world. The company was chosen out of 3, 000 companies which applied to this qualification. The companies having legal troubles were automatically kicked off this list (Arora, 2012).

Bill Gates is a well-known philanthropist who actively donates in health, education and environment ventures. Perhaps, he is the most merciful of all wealthy people who constantly helps other people (New York Times, 2010).

Bill Gates is less charismatic than Steve Jobs, but he expresses more concern for other people like Tim Cook. He has a vision which helps him to stay on the top of many wealth ratings. Maybe he is lacking charisma, but his ability to help other people made him one of the popular persons in the world.

Conclusions

Entrepreneurs were extremely popular in the middle of the past century, but contemporary market leaves no place for them anymore. The three leaders, whose biographies and personalities were considered, represented three leadership styles. All of them are effective leaders, but possessing a mixture of different leadership types. However, each of them emphasizes on different things. Thus, Steve Jobs was known for his " fierce and demanding

leadership style", he was often regarded as an " idea man". At the same time he is always referred as a genius in the field of software development (Paczkowski, 2012). On the contrary, Tim Cook gained points for his emphasis on employees and shareholders' interests topping the list of the most employee supported corporations.

It is obvious that leadership qualities are helpful in developing one's career. However, leadership qualities can be rarely met in pure form because entrepreneurial spirit is required at the initial stage of establishing an organization while leadership qualities are necessary to maintain the organization and employees' corporate spirit. Leadership qualities are mostly appreciated when resolving various ethical issues.

Judging by the publications that were analyzed, Bill Gates was more successful in his career than the other two leaders. His famous phrase: " As we look ahead into the next century, leaders will be those who empower others" reveals his vision of leadership which is consistent with theories of leadership. He also said that " It's fine to celebrate success but it is more important to heed the lessons of failure" reflecting the nature of a true leader who is able to analyze mistakes and proceed in making dreams real (Arora, 2012).

Bill Gates was the most successful leader in this list who expresses the most concern about other people; Steve Jobs is considered the most inventive, and Tim Cook is the most successful in sales. People are different and their leadership style is individual. It is evident that leadership qualities go in line with values shared by all people.

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