

Corporate leadership

Business



“ Leadership,” writes the historian James MacGregor Burns, “ is one of the most observed and least understood phenomena on earth.” (3) Indeed, there are untold volumes on leadership.

There are business chronicles, stories of great corporations and their achievements, some exposes, and other vehicles of self-justification. There are descriptions of ends attained, of outcomes. There are news reports of spectacular executive success. But nowhere is there specific documentation of the characteristic behavior of business leaders. Nor is it easy to define what a business leader is. The business world is an arena for achievers.

Some are great financial manipulators. Some are spectacular marketeers. Some are technical innovators. Some build and rebuild communities. Are they leaders? They are executives, perhaps, but not always leaders.

We cannot always learn, and certainly not fully, about leadership from theorists or from contemporary “ leaders.” Nor can we learn fully from great political leaders. Gandhi was charismatic and revolutionary. His leadership made the British yield India, but until the recent popularity of the movie Gandhi, there was little evidence in contemporary India that he even existed. De Gaulle was similarly charismatic.

He inspired a defeated France, but he left it with only echoes of stirring words. By way of contrast, the leaders of the American Revolution created an adaptive structure—a mode of organizing people and activities that was capable of changing itself when necessary—to sustain the ideals they verbalized. Similarly, there have been great businessmen—Carnegie, Rockefeller, Sloan, Ford, Harriman—who created mammoth businesses, most

<https://assignbuster.com/corporate-leadership/>

of which have adapted poorly to their environment. Their organizations have had difficulty enduring for, among other things, they were without the kind of adaptive structure that could either generate ideals or sustain them.

Sociologists argue that when large organizations falter and fail it is because of bureaucratic rigidity, which Marxist economists contend is the result of capitalistic oligarchic power.

Such structural explanations attribute failure to the way the business is organized or the economy is managed. But we know from military experience that while one battalion might have high morale, few casualties, and great combat success, a comparable battalion might have quite the opposite. The same is true of comparable manufacturing plants in the same corporation. Other factors being relatively equal, the most significant difference between one organization and another is neither sociological nor economic. Rather, it lies in a leadership style that gives direction, evolves structure, and allocates power. That leadership style is most relevant to much of contemporary management when it can be viewed in the context of a highly structured organization with established traditions and a long history of how things are done.

Since entrepreneurs have their own unique psychology, I am interested in those who assumed leadership of ongoing businesses. If we are to try to understand leadership style, we have several options. One is to classify it, as do most research studies on leadership. We can do that by using labels: autocratic, democratic, laissez-faire.(4) Or characterizations: the craftsman, the jungle fighter, the company man, the gamesman. (1) Or by placing the leadership style on axes: person-oriented versus production-oriented.

<https://assignbuster.com/corporate-leadership/>

(2) Or by differentiating the achievement-oriented from the power-oriented or the affiliation-oriented. (6) Or we can characterize their temperaments: intuitive versus analytical. Another way is to try to measure leadership style after defining the traits, qualities, skills, or behaviors that characterize it. ...