

# [Relevant leadership theories in relation to steve jobs](https://assignbuster.com/relevant-leadership-theories-in-relation-to-steve-jobs/)

## Introduction

The topic of leadership has continued to be a subject of interest in the modern world both from practitioners as well as academics and the extensive research for decades has not exhausted the topic (Bennis W. , 2007). Leadership has an influence on all the facets of business. Organizations are often successful because of the set of relationships existing between the leaders and the followers.

Through this essay efforts are made to apply relevant leadership theories in relation to Steve Jobs, CEO of Apple Inc, one of the most commended leaders of recent times.

An attempt is made to evaluate Steve Jobs leadership style using the following theories Hersey-Blanchard Situational Theory (Hersey & Blanchard, 1988), Transactional Leadership (Bass, 1985; Adair 1990), Transformational leadership (Goodwin, Woffard & Whittington, 2001; Tichy & Devanna, 1986; Yammarino & Dublinsky, 1994, Bass, 1990)theory will be used. After reviewing the literature on leadership theories relevant to this case study, based on the frameworks it will be argued whether Steve Jobs can be considered as an effective leader.

## Literature Review

Today leadership is the one of the most known management topic at the same time attempts to understand still represents a challenge. A single definition cannot encompass many aspects of leadership (Bennis & Nanus, 1985: 4; Pfeffer, 1977; Kenny & Zaccaro, 1983; Lord, DeVader, & Alliger, 1986; Kirkpatrick & Locke, 1991). The various theories of leadership help to solve somewhat the ambiguity of the definition .

One of the reason for popularity to the leadership topic is that leaders action or inaction can effect people, not only in the success of an enterprise, but also in social field i. e. a group, an organization or a larger entity or a nation. (Hollander, 1992)

The review of literature shows the concept of leaders trait and characteristics in the earlier studies of leadership {Bass (1990); Curphy, and Hogan (1994); S. A. Kirkpatrick and Locke (1991) ; Kenny and Zaccaro (1983); Zaccaro, Foti, et al., (1991) ; Ferentinos (1996); Howard and Bray (1988)} and later theories considering various contextual environment of leadership along with the followers (Hollander, 1992). The research on leadership has evolved from the great man theory to the trait theory to behaviourist theory to Situational theory to contingency theory to transactional theory and to transformational leadership (Bolden, Gosling, Marturano, & Dennison, 2003)

Hersey Blanchard situational theory (McKenna E. , 2000)

This model adopt consideration to relationship and task behaviour . It extends these two dimensions of leadership to four styles i. e. tell, sell, participation, and delegation. Maturity consists of two parts-job maturity and psychological maturity. Job maturity relates to technical knowledge and task-relevant skills. Psychological maturity relates to feelings of self-confidence and ability, people’s willingness to take responsibility for directing their own behaviour.

Emphasis is placed on matching a style of leadership to the maturity of subordinates, and this relationship is important in determination of leadership effectiveness (Hersey & Blanchard 1982).

Tell : A task oriented and directive style where highly immature subordinates would be told what to do.

Sell: A relationship oriented style where Subordinates on the low side of maturity, would be persuaded that a particular course of action is the most appropriate.

Subordinates on the high side of maturity will be treated with a certain amount of consideration and support would be allowed to Participate in decision making .

Delegation: where subordinates, highly mature will be considered capable of exercising self-direction and self control, and a high degree of autonomy.

Most important in Hersey and Blanchard’s theory is the focus on truly situational nature of leadership and their recognition of the need for behaviour flexibility on the part of the leader (Yukl, 1981).

Barrrow (1977) and Yukl (1981) argue that though the model is prescriptive for measuring leader style, style range, and effectiveness it merits much less favourable evaluations. The concept of task-relevant maturity that has been conceptually ambiguous.

According to a study by Graeff (1983), it has internal consistency problems, substantial conceptual contradiction, problems with the conceptual definition of relationship behaviour and inconsistent arguments regarding the appropriateness of participative decision making contribute.

## Transactional and Transformational Leadership

Transactional leadership occurs when one person takes the initiative in making contact with others for the purpose of an exchange of something valued; that is, “ leaders approach followers with an eye toward exchanging” (Burns, 1978) In transactional leadership, leaders gain control of their subordinates through praise, intimidation and coercion. The transactional leader specifies the standards for compliance, and may punish followers for being out of compliance with those standards (Bass & & Avolio, 1997). Transactional models of leadership emphasize the implicit social exchange, or transaction, that exists between leader and followers as a feature of effectiveness. This transactional approach emphasizes a more active role for followers, with the potential for two-way influence, rather than coerced compliance (Hollander, 1992)

According to Bryant (2003) Consequence of transactional leadership workers are not motivated to give anything beyond what is clearly specified in their contract. Workers may also choose to utilize their excess brain capacity by consulting or starting their own business if they are not challenged and rewarded for extra effort in the firm.

The transactional leadership theory is known for its in-ward looking and self-satisfying feel, known to be most appropriate for a culture with stable conditions. (McKenna E. , 2006).

Burn’s (1978) idea of the leader as a transforming agent has been applied to organizational leadership by Bass (1985) and Bennis and Nanus (1985) especially as a source of exceptional performance. The essential point is that the leader strives to go beyond the bounds of the usual to bring about a change in followers’ thinking that will redirect their action(Fiedler & House, 1988). The central concept in transformational leadership theory is change and the role of leadership in envisioning and implementing the transformation of organisational performance (Bolden, Gosling, Marturano, & Dennison, 2003)

Transformational leaders create an atmosphere conducive to knowledge creation, sharing and exploitation. In particular, by using charisma, encouraging intellectual development and by paying

individual attention to workers, transformational leaders motivate their workers to create and

share knowledge. Transformational leaders inspire workers on to higher levels of innovation and effectiveness.(Bryant, 2003) Transformational leadership has been shown to have a positive relationship with performance.(Lowe, Kroeck, & Sivasubramaniam)

Despite the support that transformation leadership theory received there are still weakness which is identified by Yulk (1999) that is the transformational behaviours are found to be missing in Bass (1996) which are identified as inspiring (infusing the work with meaning), developing (enhancing follower skills and self-confidence), and empowering (Providing significant voice and discretion to followers).

Authors (Bass 1985, 1996 ; Pawar & Eastman, 1997; Pettigrew, 1987) are of the view that the situational variables which are missed may increase the likelihood of transformational leadership or moderate its effect on followers.

Transformational leadership theory can have several detrimental consequences for the organisations as identified by (Harrison 1987; Stephens, D’Intino, and Victor (1995); Porter, L. W., & Bigley, G. A. 1997) first is that followers transformed to high degree of emotional involvement which makes them burn out their long-standing stress secondly, was being biased toward the top management, customers at the cost of others of the employees thirdly, different leaders with competing visions can create role ambiguity and role conflict.

Bass and Steidlmeier (1999) argue that transformational leadership is unethical, it may appeal to emotions rather than to reason and it lacks the checks and balances of democratic discourse and power distribution. Yulk (1999) argues that the theory deals primarily with the leader follower behaviour and has given less attention at the group and organisational level.

## Part three – Background to Case Study & Critical Analysis

In the late 1970s, Jobs, with Apple co-founder Steve Wozniak, Mike Markkula, and others, designed, developed, and marketed one of the first commercially successful lines of personal computers, the Apple II series. Steve Jobs is the CEO of Apple, which he co-founded in 1976.

In the early 1980s, Jobs was among the first to see the commercial potential of the mouse-driven graphical user interface which led to the creation of the Macintosh. After losing a power struggle with the board of directors in 1985, Jobs resigned from Apple and founded NeXT, a computer platform development company specializing in the higher education and business markets. Apple’s subsequent 1996 buyout of NeXT brought Jobs back to the company he co-founded, and he has served as its CEO since 1997.

Steve also co-founded and was the CEO of Pixar Animation Studios, which created some of the most successful and beloved animated films of all time including Toy Story, A Bug’s Life, Monsters, Inc., Finding Nemo, The Incredibles, Cars and Ratatouille. Pixar merged with The Walt Disney Company in 2006 and Steve now serves on Disney’s board of directors.

Jobs also previously served as chief executive of Pixar Animation Studios; he became a member of the board of The Walt Disney Company in 2006, following the acquisition of Pixar by Disney.

With Steve Job , Apple commands a dedicated consumer base and is know for its premium brands like iPad, iPhone, iPod, iTunes etc .

Apples success is known under Steve Jobs Leadersip. Although it is not easy to characterize Steve Jobs’ leadership style to any one particular theory, to evaluate his leadership style two theories of leadership will be used the Transactional and Transformational theory and secondly the Hershey Blanchard’s situational theory.

Steve Jobs’ leadership style seems to be both transactional and transformational theory. According to Bass (1985) and Burn (1978) both these theories more complementary than being competitive.

## Steve Jobs as a Transformational Leader

As per the above literature review, transformational leaders are charismatic, vision oriented, encouraging intellectual development of their followers, inspiring and motivating to higher levels of effectiveness.

The aspects that strongly claim that Steve Jobs leadership shows signs of transformational leadership is his charismatic personality. According to Rakesh Khurana (2002) Steve Jobs, the New Age wunderkind of Apple revered for his sucess in introducing people to the personal computer that could gaurantee our freedom (Khurana, 2002). As Steve Wozniak , the co-founder with Jobs of the Apple , tersely noted : he can always couch things in the right words’ . Steve Job is described as heart and soul of Apple. (Patterson, 1985)

What was visionary about Job’s approach -where he surely added value- was his evangelical zeal to show people the future potential of the product. With this vision as foresight has caused Jobs to be dubbed the priceless proselytizer.(Uttal, 1985)

Cocks (1983) argues that Apples co-founder, Steve Wozniak, blodly stated that Jobs did not understand computers, and the actual design of the machine has been widely credited to Wozniak. But as Wozniak also said, it never crossed my mind to sell computers. It was Steve who said Let’s hold them up in the air and sell a few’. It was Jobs who insisted that the computer be ‘ light and trim, well designed in muted colors’. Jobs likewise pushed his engineers to ‘ make machines that will not frighten away a skittish clientele. (Cocks, 1983)

Butcher (1988) argues that Jobs a perfectionist, adn as the organsiation gre, many in Apple experienced this as intolerance and self-absorption. Steve Hawkins an employee said ‘ Jobs such a perfectionist that people can never please him , hes extermly ambitious , almost to the point of megalomania.(Butcher, 1988)

Transformational leadership is about encouraging innovation, bringing about a change in the thinking of its followers and being visionary in implementing transformation in the organisation performance. Steve Jobs as a transformational leader is seen in his efforts to bring innovative digital technology to mass consumer so that they can open their wallet(Deutschman, 2001).

Evidence of Steve Jobs vision in making innovation accessible was ‘ Apple is committed to bringing the best personal computing experience to students, educators, creative professionals and consumers around the world through its innovative hardware, software and Internet offerings’ (Young, 2005)

In terms of motivation and inspiring employees to give their best of performance is a characteristic of transformational leadership . Evidence of Steve Jobs motivating and inspiring his employees is when Job when first spoke of any new idea to his employees not everyone thought it to be a successful product also at times the employees were not keen on working on such new ideas. But

Jobs along with his employees was able to convert the innovative ideas into a technology which changed the way digital technology is used today . Whether it is the Macintosh computer or the newly launched ipad or iphone. It was Jobs leadership which motivated and inspired and Apple created the systems and structures that were able to convert knowledge into a valuable product. Job challenge engages his employees to reach nearly impossible goals(Bryant, 2003) (MCB UP Ltd, 2002). Job used inspiring speeches to keep his employees motivated and convey his innovative ideas to them(Harvey, 2001)

Butcher (1989) agrues with an evidence by Steve Hawkins, employee of Apple puts it that most of the people weren’t good enough for him and would really be in a state of shock after encounters with Steve. Also Steve was very ambitious along with perfectionist and that caused a lot of trouble with moral. Young (2005) adds that apple employees were pushed to the best of their capability and performance and interactions with Steves were the ones which most of the employees feared.

According to Peter Elkind (2008) Steve job has conflicting behaviours and he often had his subordinates to tears and in his angry temper he fires the employees. And yet the top management has worked with him for years and they give credit Jobs for the best job they ever did was only with him.(Elkind, 2008)

Steve Job in an interview stated that he has really capable people and his job is to make the whole of his executive team good enough to be successors, so that’s what he’s trying to do, to push them he has aggressive visions (Morris, 2008).

As an Evidence the discussion of Steve job with Morris (2008) sheds light to the criticism made by researchers Steidlmeier (1999); Yukl (1999) about the transformational leadership style in the literature review and steves transformational leadership style shows the unethical or unmoral dimensions of transformational leadership style. Also Steve jobs interactions are limited to the top management and he states that his job is to work with sort of the top 100 people, among the 20000 people at Apple. This shows his interactions are not closely related with the majority of his employees. (Morris, 2008)

## Steve Jobs as a Transactional Leader

In addition to the above arguments about the leadership style of Steve Job. Bryant (2003) is of view that Job exhibited a combination of transformational and transactional leadership style and this helped him sucess in Apple. According to Bryant (2003) Job when visited the Xerox Parc and he took a vision of how future computers should operate. And he made his employees create the systems and structures in his company Apple where knowledge was converted into valuable products e. g. the Macintosh personal computer. The transformational leadership style was used in his vision to change the way personal computer will be operated in future and transactional leadership style was used when he incorporated his vision into reality by making his the products with the help of his employees.

In an interview with Morris (2008) Steve talks about his role in the company is to recruit at the same time focus on its strategy and manage the whole business from different departments and people of the company and this is a characteristics of a transactional leadership style.

## Hersey Blanchard situational theory applied to Steve Jobs

Steve Jobs leadership style is more reliant on his followers skills and capabilities. The Hersey Blanchard situational theory model emphasis on matching a style of leadership to the maturity of subordinates this relationship shows the determination of leadership effectiveness as mentioned in the literature review. The way job leads and his style relates to this theory .

The delegating style M4-S4 is evident from Steve interview with Morris (2008) where he says that if he has hired good people and they have potential he would give them a business and left them run on their own and when a good idea comes, part of my job is to move it around, just see what different people think, get people talking about it, get ideas moving among that group of 100 people, get different people together to explore different aspects of it .

The participating style M3-S3 of Hersey Blanchard situational theory is where Jobs talks about the way he takes a new idea to his employees is the environment of excellence and how his employes are self motivated , he does coach them at first and inspires them and then the employees surprise him time and again with the best of their performance (Gendron, 1989).

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televsion interview (Cringely, 1996) Steve jobs telling style M1-S1 was evident Where he argues that he is committed to the vision and rather than for money and that he has been there always for the ultimate good of the company and there has been cases where they stopped their internal work and people did not like it and but he got a better deal for the company . this radical nature of dealing with things shows he used telling style of the Hershey Blanchard theory.

## Conclusion: personal reflection and recommendation

In contrast to Steve Job, the managing director at my work place was a person who believed in group work at the same time allowed creative talent and ideas from each person. He involved employees in the decision making and took individual views on various projects of the company.

The success of Apple following return of Steve Job is credited to the effective leadership Steve has used. The review of the literature and the theories applied to Steve Jobs and my personal experience has opened my mind to areas where Steve style of leadership can progress and can be further developed.

According to Bass (1985) Leaders are central to the process of creating cultures, structures and systems that fosters knowledge creation, sharing and cultivation.

Certain Industries have faster rates of technological, higher level of regulation and higher competition levels and these factors impact the leaders of the organisations (Bryant, 2003).

Hence, a lesson learnt from leadership is that a leader can judge the situation and can adapt different style of leadership and this makes a leader more effective and efficient. In Steve jobs style of leadership a soft approach adopted with his employees will prove him to be more affective. Because his job involves handling people who are highly knowledgeable in the field of technology, being soft on his employees or benevolent leadership can help him get best of their performance and in return profit from his human resources and realise his vision.