

Leadership can be
defined as the art of
influencing others



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Leadership can be defined as the art of influencing other people to achieve the company's goals and objectives in a way to make it more consistent and cohesive. (Hubpages, 2010)

Leading people in the right path processes leadership in order to accomplish a common goal. Leadership ensures that the organization works successfully in accomplishing its desired goals. Good managers are characterized by their leadership skills and experience for the aim in getting high performed and well organized company. They are the backbone of the company to maximize their productivity at the same time create harmony between employees which results to better outcome and efficiency. Only leaders have the ability to encourage their employees to work efficiently toward achieving the company's best interest.(WIL, 2010)

Types of leadership

Leadership style is the method and approach used by leaders to achieve objectives, provide direction and motivate people when working with others. It is the manner in which leaders interact with their subordinates. Given below are the different ways leadership styles has been defined:

Transactional Leaders: this type of leadership involves a process of exchange between the leader and the follower (subordinate). The leader tends to obtain compliance on one hand by offering incentive on performance and on the other hand, by offering threats or punishment for bad performance and non-compliance.

Transformational leaders: this type of leadership style is more visionary and inspirational in approach. The leaders here have a tendency to provoke intense emotion and communicate a clear and acceptable vision and goals with which the subordinates can easily identify.

Autocratic leaders: here, the leaders are the decision makers and have total authority. This type of leadership style is used for employees that require close supervision to perform certain tasks. (Lewin, Lippitt & White, 1939)

Democratic leaders: this type of leader always listens to his team's ideas and analysis them, but he/she will make the final decision. Here the team players contribute to the final decision making and therefore, employee satisfaction increases. (Lewin, Lippitt & White, 1939)

Laissez-faire leader: this type of leadership provides no continuous supervision, as the employees are highly experienced and do not require much supervision.

Leadership at Virgin:-

The person who made Virgin Group an outstanding business empire by changing and diversifying the business from a magazine to a range of companies at the present time is one of the world's most effective leader and risk taker Mr. Richard Branson. This effective leader now owns 360 companies worldwide, which operate, now in eight different sectors, from music to transportation, media, travel, etc. (AUV, 2010)

There are many effective methods used by Mr. Richard Branson in conditions of leading his employees. Mr Richard Branson has all the features every good

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leader as he adopts his own personal style of management. He maintained a very good relationship with the media, as he was known for his charisma. His leadership power motivated his employees as he supported them by financial incentives. Apart from the financial incentives given to his employees, he has his own way of motivating his employees by sharing with them stories of how he succeeded in life and shares his enthusiasm to help others by establishing various non-profit organizations in order to support young entrepreneurs. His introduction of new green technologies in the business was one of his major investments towards the safety and health of the environment; made his leadership strategies different from others (VSD. 2010)

Richard Branson follows both the democratic as well as the Laissez-faire leadership style, as his employees are involved in decision making indicating the decentralization technique used by him allowing his employees to participate in leadership. Applying his supportive leadership style were he loom his employees to become friendly and caring. His employees are allowed to have an open communication with the top-level management without any restrictions. (Hill. McShane, 2008)

Richard Branson leadership approach has resulted a significant achievement for the virgin group. Branson had been demonstrated conceivably enhanced than any other investor for the past thirty years worldwide. (BAG, 2010)

Strategies of the Virgin Group: –

Virgin group played a very important role in Mr. Richard Branson's life; it not only transformed the company, but also transformed himself as known now

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to be a person who is willing to take risk at any time and a daring man.

According to him, no was never the right answer now was it a solution. With the help of the strategies he had adopted, every opportunity, which came knocking on his door, was accepted. Not all of the strategies used by Mr Branson to diversify the company were successful; the strategies had their pros and cons. Below are few strategies that are applied in virgin group in general regardless to the various sectors they are diversified into: –

Since the word “ NO” is one of Branson’s favorite words, the company uses ‘ Risk Management’ as their core strategy to capture any idea. Risk management is the method used by the company to manage and control risks and threats that comes to their way. The philosophy used by the virgin group is by separating the risks into various segments so that if any loss occurs, the whole group will not go down at once. At any crises point, this approach guarantees’ the company that only a tiny proportion of the company is affected.

The virgin group has also used the Unrelated Diversification strategy. As seen today, Mr. Branson expanded his company, diversified it and also invested money in different sectors yet, still uses the same brand name. He moved from sectors like Virgin Airlines to Virgin travel and tourism, Virgin Media and Virgin Cola. There are about 200 companies carrying the Brand name ‘ virgin’. (VGA, 2010)

Virgin stores are known for their lenient administration towards their employees. Decentralization is one of the strategies’ used by the company. Here the decision-making authority is transferred to the subordinates. Virgin

group is a semi formal organization and work together as a big happy family. Here, the staff are empowered with many rights and responsibilities and are considered the strength of the company. Flow of information is very flexible and smooth so as the management (Pravab, 2010)

Corporate social responsibility, a new strategy applied to the virgin group that emerges them to move towards social responsibility and to invest money towards a safe and healthy environment for the costumers. The Virgin Green fund project was created and invested into various sectors such as resource efficiency and renewable energy. (VSD, 2010)

Sectors that Virgin Group diversifies into:-

The Virgin group has been diversifying for a long time now. The company is occupied in different types of sectors and currently has around 240 or even more corporations. Richard Branson also ventured into the wildest sectors- Virgin Space Port. The diagram below lists the various sectors that the Virgin Group is diversified into: -

MARKETING STRATEGY

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A marketing strategy can be defined in financial terms as the process of allowing an organization to concentrate its limited resources on the major opportunities to increase sales and attain sustainable development and competitive advantage. The main concept of marketing strategy is consumer satisfaction. It serves as the foundation of the marketing plan. (wikipedia, 2001-2006)

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It is most effective when it becomes an integral part of the corporate strategy; as it clearly defines how the organization will successfully engage costumers, prospects and competitors in the marketing field. The key component of the marketing strategy is to keep a line with the company's overarching mission statements.

Marketing strategies in virgin group:

After a research done on Virgin group, Bahrain; the sales manager of virgin megastore, Mr. Kevin Koswette stated that virgin group as known now has diversified into various sectors and have around 240 companies'. It is very difficult for the company to pay attention to its marketing strategies, as each sector is different from the other. The companies pay the virgin group to market their products; for example: Yamaha musical instruments are sold in virgin megastores as well as Arsenal sports club items. The marketing strategy of each product/service differs from the other as they are from various sectors that the company is diversifies into. For example: marketing strategy for Virgin music cannot be applied to the marketing strategy of virgin airlines.

Recommendations:-

Change this xD

We have noticed that Virgin group involves its employees into their decision making which leads to decentralization of authority in the organization; in our opinion, high decentralization may also lead to loss of authority in the company and may also result to confidential leakage.

The leniency in the workforce allows employees to dress up informally as they have the freedom to style their hair inappropriately that may influence youngsters' who consider them as role models. Also it may not be acceptable socially in the community.

We also noticed in our research about the company, that Mr. Richard Branson- the leader behind this company is a man with great charisma and loves the media exposure. In our opinion, the media exposure can cause negative impacts like scandals and false information about his personal life as well as the company.

The flexibility in the workforce, friendly relationship and kindness of the leader- Mr Branson with his employees may result to dishonesty in the workforce; and employees' might take advantage of this leniency in terms of achieving their objective.