

Example of essay on managerial leadership does leadership makes a difference

[Business](#), [Management](#)



Executive Summary

This paper posts that leaders make a difference in one organization. It tries to prove its point by showing how leaders make a difference in an organization and by how they affect the organizations by their own innate skills, personalities and their experiences. It tries to define leadership by the unique traits and skills a leader has.

The paper initially answers the question by asserting the importance of a leader in an organization. It illustrated its point through the examples such as the leadership of Steve Jobs and how he made a difference in Pixar.

Then it explores the various definitions of leadership and how the person is crucial or the focal point about it. It asserts that leaders are the bringer of change and that they are at the heart of decision making and they read into the context of an organization, analyze structural and significant events and make the necessary changes.

The main contention is that great leaders make a great difference in an organization. Conversely, bad leaders also make bad choices for the organization. In both aspects, we see how crucial the role of a leader is and how they make a difference in an organization.

Background Information

A very intelligent question of political scientists is, "Who should rule?" This is a fundamental question in human relations. Leadership is one of the most crucial subject matter in any aspects of human affairs. This is very important

because of two main reasons. First, leadership solves the problem of organizing a collective effort, which is a major ingredient in group or organizational success. (Daft, 2011) With great leaders, government, business, personal and community organizations succeed and develop. When organizations are successful, the members are happy and fulfilled. This paper will try to make two points. Number one is that LEADERSHIP makes a difference. Second is that LEADERSHIP affects organizations. For the first point, let us consider various organizations without great leaders. What is Microsoft without Bill Gates? What is Apple without Steve Jobs? What is South Africa without Nelson Mandela or the United States without Barack Obama? Leadership matters because it is greatly consequential for the effectiveness and the success of an organization and the well being of the members of an organization. (Ibid.)

Leaders are often considered as the “bringer of change.” (Collins, 2001) To develop and sustain their mandate to lead, effective leaders communicate and promote communications so as to create and maintain productive relations. This helps to build the trust that is essential to sustain performance in uncertain times. (Ibid.) Leaders make a difference because their role is crucial. Their major roles are to engage all the members of the organization. (Northouse, 2007)

For example, the role of Steve Jobs in Pixar can be considered as a major difference of a leader in an organization. After Pixar's successful Toy Story in 1995, Jobs and then-chief financial officer Lawrence B. Levy studied everything about movie making business economics. Then, Jobs convinced Disney to agree to a more profitable partnership with Pixar. Job's industry

knowledge, charisma and intensity locked the agreement more than anything else. This is a very obvious illustration of the difference. (Business Week Online, 2006) In a deeper insight, Steve Jobs has the ability to combine technical vision with an inner instinct for what normal consumers want and then he will sell it in a way that make consumers want to buy and be part of the club. (Ibid.) This is the way Jobs make a change in the organization, by bringing in his own expertise which is unparalleled by any other leader or managers in the company. This is what makes his leadership different and the outcomes prove it.

In 1954, Peter Drucker wrote in his seminal work " The Practice of Management," " Leadership is of utmost importance. Indeed there is no substitute for it. But leadership cannot be created or promoted. It cannot be taught or learned." (Kotter, 2001) In another definition, " Leadership is the capacity to translate vision into reality" and this is made possible by people who have the right mix of personality, charisma, skills, knowledge, expertise and experience. (Kotterman, 2006) Another common definition is that " Leadership is the art of influencing others to their maximum performance to accomplish any task, objective, or project." Again, the focus is on the person as a leader and this is very important to point out. There are many different ways of defining a leader and how they make a difference. Peter Drucker summarized it as " the most valid definition of a leader is an individual who has followers." (Ibid.) In order to have followers, influence and integrity are important.

The classic question if leaders are made or born is another question. Albeit, either leaders are made or they are special, the crucial point of this paper is

that they make a difference in an organization. Inherently, they must have some essential attributes i. e. vision, integrity, trust, selflessness, commitment, creativity, toughness, communication ability, risk taking and visibility. (Capowski, 1994).

Others would contend on what constitutes good or great leadership in commercial or non commercial contexts. (Pfeffer, 1977) Each generation will develop its own crop of candidates. In businesses, leaders are often measured by their way of creating shareholder value. It is often expected that they raise the value for their shareholders and stakeholders. But as we now recognize societal values and embrace it broadly, leaders are judged not only what they seem and what they achieved but also how they did it. As such, the contributions of a leader in society are valued as their achievements and more importantly, in their goodness towards others and their environment. (Ibid.)

Leaders are very important especially now that the global economy is a wide scale where people and businesses compete. More than ever, leadership must be the process used to reach positive goals. The leader's attributes are vital against the organization and to the members which are under him. To be effective, a leader must challenge the status quo, to alter paradigms, develop new way of thinking and seeing, and create major changes. (Capowski, 1994) The influencing power of leaders is crucial in these tasks and he needs to perform various activities and strategies to complete these tasks.

Another major point of this paper is that leadership affects organization. For instance, in a moral perspective, bad leaders inflict misery on his subjects. (Jarrett, 2009) This can be seen by how Adolf Hitler, Joseph Stalin, Benito Mussolini, Pol Pot, Mao Tse Dong, and Saddam Hussein. Take a look at the current North Korean President Kim Jong Il. It all goes to show how bad and ineffective leaders make people around them miserable.

It also shows that leadership is an adaptive instrument for individual and group survival. (Northouse, 2007) In essence, it is mainly concerned with creating and maintaining effective teams and this is made possible by the personality of the leader. The final point is that the leader influences the team's performance. Thus, the way or leaders are is the way or organization moves and this will eventually determine the success of one's organization.

Alternatives

In a contrasting view, others would consider it absurd that leaders are the primary movers in an organization. They consider leaders as given and that the greater role of organizational effectiveness or success lie in the organization itself, the context and the timing of events it experience in a given time. There are varying opinions about this notion.

Various publications and seminal studies in the 1970's impressed that leaders have small influence on organizational results. As reported by Finkelstein and Hambrick (1990), these studies have been made to evidence the view that " top managers have consequently small influence on the outcomes of an organization because of environmental and surrounding forces." This is still a major debate in strategic management and

organization theory which centers on the relationships among the environment, the leaders or managers and organizational success.

Population ecology theory also affirms that organizations are inertial and that the environment plays a key role in choosing the survival or demise of an organization.

According to Collins (2001), the external environment is a great determinant in organisational success. However, academics and scholars agree that it is the " leadership group" which can act as the " final arbiter or decision maker" of environmental fluctuations and varying performance. The

leadership determines and manages the line between the external and internal dynamics of the organisational system. They form the referential union which allows for strategic and political decisions about the policies, directions and system of an organization such as age, experience and their attitude and cognitive responses to the performance of the organization highly affects the strategic changes that the organization undergoes. (Ibid.)

Other studies have challenged the notion that leaders do not matter. They all have shown that leaders really do make a difference. Caparas (1999) cited Weiner and Mahoney (1981) who discovered that leaders represented about 12.8% of the variance in corporate income. She also cited Thomas (1988) who reflected that changes in company leadership accounted for much more variance in the changes within the organization over time than between-organization performance. Other studies in non-commercial contexts which have also proven the significance of leaders (such as House, Spangler, & Woycke, 1991; Smith, Carson, & Alexander, 1984) were also cited. (Ibid.)

Generally, these studies prove that leaders collectively make a difference in

the success or outcomes of their organizations.

As Nobel economist Ronald Coase in 1937 has said, leaders provide systems or routines for management practices and they are at the heart of decision making. (Collins, 2001) They serve as the “strategic apex” and provide the inspiration and the motivation to the organization through their actions and vision. They influence the direction of the organization, including its culture and the contexts which help the organization achieve its goals and other internal capabilities.

Studies illustrate that the cognitive maps of the leaders – the ways they think – serve as vital limitations or compelling action for the organizations which keep them from seeing beyond what is already obvious. The leaders’ cognitive and mental orientations disabled the adoption of new changes. To illustrate, it took Polaroid to change direction for such a long time. It was almost two decades before the company shifted from film to digital technology. (Jarrett, 2009) This transpired too long even when the company was popular for its innovation. Their top management believed and held to their old ideas. For instance, they believed that R&D in the existing technology was fundamental even when the digital technology was already accelerating. Thus, the entry of a new CEO broke the pervading mental spell. Then, Polaroid was able to shift in its business directions and performance. (Ibid.)

The CEO pushed for the much needed change and then the company undertook a meta-analysis of its corporate decision making to know the foundation for its decision outcomes. The new leaders of Polaroid discovered that most management teams are fundamentally irrational. Their analysis

showed that Polaroid teams made key decisions based on insufficient data or they are making decisions based on politics. The third discovery was that Polaroid make decisions by “garbage can” decision making approach. Thus, top managers perceive and analyze their context and strategize based on the significant findings. Then, they made powerful impact on Polaroid’s capability and mobilization for change.

Summary

There are many ways to appreciate the difference that leadership makes. Great leaders, either born or made, inherently affect the organization. Likewise, bad leaders also lead to the demise of the organization and to the miseries of its members.

In summary, LEADERSHIP makes a difference. Also, LEADERSHIP affects organizations. Leaders are often considered as the “bringer of change.” (Collins, 2001) Leaders make a difference because their role is crucial. Their major roles are to engage all the members of the organization. (Northouse, 2007) There are many different ways of defining a leader and how they make a difference. Peter Drucker summarized it as “the most valid definition of a leader is an individual who has followers.” (Ibid.) In order to have followers, influence and integrity are important.

Leaders are very important especially now that the global economy is a wide scale where people and businesses compete. More than ever, leadership must be the process used to reach positive goals. The leader’s attributes are vital against the organization and to the members which are under him. To be effective, a leader must challenge the status quo, to alter paradigms,

develop new way of thinking and seeing, and create major changes.

(Capowski, 1994) The influencing power of leaders is crucial in these tasks and he needs to perform various activities and strategies to complete these tasks.

People who lead try their best to make things better for those around them. Leaders provide systems or routines for management practices and they are at the heart of decision making. (Collins, 2001) They serve as the “strategic apex” and provide the inspiration and the motivation to the organization through their actions and vision. They influence the direction of the organization, including its culture and the contexts which help the organization achieve its goals and other internal capabilities.

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