

# [Analysing strategic management and leadership](https://assignbuster.com/analysing-strategic-management-and-leadership/)

This unit is all about strategic management and leadership. This assignment will cover the link between strategic management and leadership style in organisation in different situations. Strategic management and leadership is an ability to anticipate the future requirement that is for an organisation to be proactive in maintaining flexibility, motivation and empower the people to create the strategic change for the growth of organisation. Strategic management is all about shaping strategies and taking important decision for the organisation to survive and to get success in the face of competitive challenges and from other pressures from within and outside organisation.

## 1. 1: Link between Management and Leadership

Both word strategic management and leadership are often used interchangeably, although these words actually describe two different concepts. The main aim of management is to maximize the output of organisation through administrative implementation. His functions include; organizing, planning, directing and controlling. While according to John Kotter (1996)” leadership is the set of practises that create the organisation in first place or adapt them to significantly changing circumstances.

Strategic management is a vital area for any organization. It helps to improve an organisational performance and productivity. It is the responsibility of the strategic manger to design strategies for the future needs of the organisation.

Designing and setting the plan is the job of strategic managers or we can say strategic management but to bring this plan and design into practice is the job the leadership. Leadership qualities are required to achieve those goals and targets which are set by the strategic management. ‘ Central to strategic success is aligning the right leaders with the right skills in the right places at the right times to achieve desired competitive results’ (William J. Rothwell 1999)

To run an organisation successfully and get the goals and objectives of the firm both qualities of a manager and leaders are needed. A manager needs leadership qualities to be effective be and successful in taking initiative while leader needs some management capabilities to run the organisation.

It is the job of the strategic manager to decide what they need to do and what they need to avoid to achieve objective in longer term. They make the policies internally and externally to achieve their goals.

## 1. 2: Impact of management and leadership styles on strategic decisions.

Management and leadership style play pivotal role on strategic decisions. They make decision according to the expectation of the organisation and their decision always have the support of the team. It is the style of the management and leader which keeps organization moving.

Different styles have different type of impact on strategic decision and organisation. For example if we look at the democratic style of management and leadership, in this style management always consult and discuss with their team which makes them feel more responsible and motivates them to work hard.

It is the job of strategic manager to decide and make critical decision regarding the future of the organisation. It is the wisdom of the management and leadership that drives the organisation forward. It is their vision which has always great impact on the organisation. Their style of management and leadership plays vital role on the decision making and on the future of the organisation. They should have the style which changes according to the situation, sometime they are very much cooperative and give everybody chance to express but if situation demands them to be more authoritarian they have the style approach and power to change them.

## 1. 3: Management and leadership style in British Petroleum (b. p)

Management and leadership style is the manner and approach of providing direction, implementing plans and motivation people. There are different leadership and management style based on different theories and assumption which can be adapted on different situations

As currently being employed in British Petroleum retail store. In BP management adapts different styles of management and leadership. BP leadership has a mix style of management and leadership. They vary from situation to situation, but mostly in BP they practise democratic style of management and leadership. Again when we talk about democratic style of leadership and management, it is a kind of situational leadership where management changes them according to situation and circumstances. According to Jane Henry (2001)” the personal style of superb leaders vary; some leader or subdued and analytical, other shout their manifesto from mountain top. And just as important, different situation calls for different type of leadership”.

The philosophy of retail store management is to integrate the staff and create feel of one in organisation. The senior management is always very close to staff and they believe in having excellent relationship with all staff members. Leadership of BP has the capacity and capability to understand and anticipate the situation and then react according the situation demands. Based on my understanding democratic style of management has some positive and few negative points but in my point of view it has more positive than negative points

Through democratic style of management and leadership, BP achieves good communication between their staff. In that way staff feels comfortable in giving their opinion to management, moreover the management motivates employees by organising some events where B. P management and staff gathers together that results to minimize the gap between senior management and staff. Through this they can have good feedback from their staff which gives them opportunity to improve further. It is very good way of having a good understanding of organisation internally.

As BP retail stores are open 24 hours because of the timing of the stores it is hard for the managers to stay at store all the time. In the night time only three customer assistant are present on duty. In this situation because of democratic style they delegate the work to junior staff and give them sense of responsibility. Because of this trust junior staff feels more motivated and perform their duties and task more efficiently. Through this kind of motivation staff feels freedom and space to enjoy their work and management achieve the goals and target which are requirement of the organisation.

BP higher management believes that through teamwork they can achieve their objective and target. As in retail stores there is always direct interaction with customers and there is lot of pressure of work on the staff, so through team work BP management and leadership always manage to get the best out of their staff. BP management and leadership style has this quality and capacity to bring staff together when it is required. In teamwork BP management believe in sharing work load equally and with this they not only achieve individual targets but they achieve team and organizational objectives. BP through the democratic leadership and management style they have made friendly environment in all stores so they always believe in helping each other. Without team work they cannot achieve excellent customer service that they provide.

There are some situations when some employees become hesitant to perform certain task; I have witness working in B. P retail stores that manager sometime do certain duties to inspire the junior staff. I have seen manager doing the cleaning himself to maintain the standards this way other employees also get inspiration from this and next time they perform the task himself. ‘ People expect leader to have sense of direction and concern for future of the organisation’ (Kouzes & Posner 2007).

## 1. 4 Conclusion

Effective performance management is important process that can be achieved by setting realistic expectation, goals and targets that need to be established together with management and employees. In the short report I have highlighted the link between leadership and management. Being part of B. P Retail store I have learned that B. P management have the capacity, knowledge and skills leadership to achieve their goals and targets. The report has highlighted the importance of strategic management and

Leadership style in an organisation has explained the good point of democratic style of leadership and management. In the report I have discussed various factors which are the core point of the management. In the case study of B. P Retail I have pointed out how the management works keeping in mind all the basic factor of strategic management and leadership. I have personally experienced the qualities of management and leadership which make an organisation unique. As many of good point of democratic style have discussed in this report, there are some bad factors of the style which I identified during my research on organisation. In democratic style of leadership and management style sometime it is difficult of for the manager to have good control on their junior staff and it can lead to some inefficiency toward work, but overall during my research on this assignment I have come to learn that democratic style of management and leadership is the solution to most of the problems in an organisation.

## Task 2: Be able to apply management and leadership theory to support organisational direction

This task is all about leadership and management theories which support organisational direction. In this task the case study is about Warid telecom, I have worked in warid telecom for two years in Pakistan. Warid telecom is multinational company and it is telecom service providing company. This task will elaborate how leadership theories support the organisation and at the end this task will provide a leadership plan which will support the organisational direction.

## 2. 1: Review the impact that selected theories of management and leadership have on organisational strategy

Leadership and management qualities are very important to make average organisation into a very successful organisation, at the same time there are lots of leadership and management theories which create big impact on the organisational strategies. Leadership and management apply different theories according to situation to make organisation move forward. There are some theories which are practiced very effectively in Warid Telecom.

## 2. 1. 1: Charismatic leadership and management theory:

Charismatic leadership theory is very important and it plays very critical role on Warid telecom success. Mr Muneer Farooqi who is the CEO of Warid Telecom is the example of this, he has charismatic leadership and management style which is very inspirational for all management team and through his leadership and management style he is driving Warid telecom forward and expanding the business all over. Mr Muneer Farooqi has the power to influence his management by the style and approach toward work; he inspires them to by their own working style and wisdom. Through his style and leadership he shows trust toward his sub-ordinate which motivates them to work hard for the organisational goals and objective. Mr Muneer Forooqi is a result oriented professional. He is a team player with an objective-driven approach that gives priority to company best interest at all times strongly backed by efforts that are focused on determination, dedication, follow-up and successful completion of result oriented initiative.(www. waridtel. com) .

## 2. 1. 2: Transformational leadership and management theory:

Transformational theory of leadership is also in practice very effectively in Warid Telecom. According to this theory leaders and follower both work together and help each other for the organisational goal. This theory brings positive change in the sub-ordinates behaviour and approach, sub-ordinate get motivation which helps him to perform according to expectation of the leaders (leadership in organisation). Mr Suhail Jan is Gm Commercial in Warid telecom and he is responsible for sales, marketing and distribution and it is the requirement of the job that he needs to be more transformational in his management style, he is through his transformational leadership and management style is motivating his team and working very closely with them to bring more productivity in Warid Telecom (www. waridtelcom. com). Transformational theory has great impact on organisational, with this kind of theory leaders can bring good teamwork among employees and they can work together for organisational objectives. “ According to Burns (1978), Transformational leadership is a process which leaders and followers help each other to advance to higher level of morale and motivation”. Under this kind of working environment brings great success for an organisation, they put passion and enthusiasm to everyone working around them.

## 2. 2: Create leadership strategy that supports organisational direction Warid telecom:

Leadership plays important role to take organisation toward right direction and it is the responsibility of leadership to make strategies which support the organisation directions and objectives. It is very important for manager and leaders to understand clearly what are the objectives and should find the right path and strategies to achieve these objectives and goals. There are certain things on which leaders need to work to support organisation direction and objectives and they can bring better result and more productivity in Warid telecom.

## 2. 2. 1: Developing Professionalism:

As with growing trend of globalisation and with this trend employees are also from different region and cultures, so they do not know what behaviours and attitude is suitable for working environment. It is the responsibility of Warid telecom leadership and management to make strategies to solve this kind of issues. Leaders need to develop certain rules and regulation at working place which each and every employee should follow; these standards should be met to create more effective professionalism between employees. If a leader can bring up plan or strategy to develop professionalism it can support the organisational strategies and directions more efficiently.

## 2. 2. 2: Developing trust and belief:

It’s vital for Warid telecom management make strategy to give more value to employees. Employees are most important asset of an organisation without them no one can grow and achieve their objectives, so it is the duty of leaders to develop trust and belief on employees which motivates them to work hard for organisational directions. Trust between staff and leaders or manager create healthy working environment which brings positive effect on the performance of the employees. To create trust and belief leader should be friendly, honest and more close to the staff. He should be more consistent and in his behaviour and attitude toward work and his employees, if leader can develop trust and belief in his staff then it will be lot easier for him to achieve objectives.

## 2. 2. 3: Developing Respect:

It is very important factor for Warid telecom if they want to grow and go on right direction to have sense of respect for each other; through this a leader can bring good teamwork in the organisation and build up better understanding between staff. Leader should not discriminate employees and leader should treat everyone equally and respect them, it is the duty of leader to promote the culture in which everyone respect each and through this a better working environment can be established. It is the responsibility of leader to bring certain type of organisational policies which will prevent incident of disrespecting each other.

## 2. 2. 4: Training Program:

To achieve organisation objective one of the major factor is training program to support the organizational direction. Warid telecom is growing multinational company and it is very important for leadership and management to identify the need of training and development for the staff, as it is a fast growing world and to keep up with the new and advance techniques one should keep planning for training and development plan to compete with new challenges. If a leader can train his team it can bring lot of benefit for organisational direction and it can help an organisation to grow and develop with great speed.

## 2. 3: Conclusion:

In this task Warid telecom is taken as case study. As being part of Warid telecom in the past so it is discussed here how leadership has big impact on warid telecom strategies and policies. In the first part this task main point which was under discussion was how leadership works and how it affects the performance of the employees. In the second part of this task leadership plan for organisational direction is developed, in this part a leadership strategy is made for Warid telecom.

## Task 3: Planning for Leadership:

## Introduction:

The main purpose of this task to discuss and elaborate the future needs for the leadership skills developments. In this task learner will develop a link for himself for future need for leadership development. Past experience will be linked and connected for my future planning and development of leadership skills. I have worked in Warid telecom for few years in sales and at the moment being employed in B. P retail store as Customer service assistance and at the same time studying to complete my M. B. A. As I have plan to become part of the management of leading organisation so it is a belief that to achieve my organisational and professional goals once need to develop his leadership skill. Leadership is about a big vision, big picture view, coping with change. Part of reason leadership has become so important in recent years is that the business world has become more global, more competitive and more volatile . Major changes in organisational design , structure and leadership has become essential for survival in this new environment (Leadership in Organisation, 2009).

## 3. 1: Be able to assess the current Leadership requirements:

As we are moving into very fast and more competitive environment which demands more and more every passing day. World has become global village because of technology and because technology most of traditional way of business changing. Business has changed, is changing and will change further in future. Global competition, world market, new technologies, and significantly different global workforce have forced companies to become more aware of global competition, foreign workforces and demand for new work, leader has to be more vigilant to understand the need and demands of the world as it is very common trend now days that more and more companies are doing mergers and partnerships to expand themselves in other part of the world so leadership need to have wisdom, understanding, vision and mission to deal with these type of challenges.

As it is the time of globalisation so if something happens in one part of the world it automatically affects the other part of the world, for example climate change in one part of the world affects other part the world, as this year flood came in Pakistan which destroyed most of its crops, as Pakistan is the biggest exporter of cotton the England and other European countries so it is predicted that cotton prices will be more higher next year in most of countries as Pakistan could not export any cotton this year, so current leadership should have awareness and vision to foresee these problems and come up with solution to these problems.

## Social and Cooperate Responsibility

One the most current leadership requirement is social and corporate responsibility for leaders, they need to be more responsible and aware what is happening around the them and whether it is right or wrong, one the most famous example regarding social and corporate leadership comes from Primark that when the realise that child labour is being practice in India to make their product they cancel all the contract with Indian companies until they restricted the practice in India, one more very common example is which is in practice by more and more major companies now a days that companies like ASDA, BP and Tesco are charging customer for the plastic bags, the idea behind this concept is to reduce the use of plastic bags are as they are threat to environment in future.

## 3. 2: Plan for development for future situations:

## Merger and Takeover

As world is changing very fast and every day something new happening in this world so for this situation every organisation is working hard. Every organisation wants to grow fast in this competitive world and one the fastest way to grow as an organisation is merger and takeover. It is the requirement for current and future leadership to understand the need of merger and takeover; it is very complicated and sensitive issue because wrong analyses of a merger could cost an organisation huge amount of money. It is requirement of leadership to have innovation and skill to understand what is the right time and time organisation for this type of acquisitions.

## Emerging of new Technologies

One of the major challenges for the current leadership is technology; technology is growing very fast and taking over everything in an organisation. Now there is more concept of virtual business or e-business where business in done mostly online and employees are scattered in most part of the world. There are so many successful businesses in current world which just base online, for example Google, Face book, and EBay they are run by people globally from their computers. It is requirement for leadership to learn more skills have more control; leadership needs to bring new innovation into their thoughts to have better management of these types of challenges.

## Regulatory Compliances

In future there will be more regulatory compliance so leadership any organisation needs to be more vigilant and they need to make strategies which will keep them within the regulatory limits because it is seen that if anyone tries to exceed the limit that company can lose its licence for business or that licence can be suspended for certain period of time. In past we have seen that due to this many organisation lost their or licence or it was being suspended for certain period of time. So it is must for leadership to make strategies to train their staff and improve their knowledge about laws and regulatory compliances that they will not violate or exceed it in future.

## Cultural Diversity

As now more and more organisations are diversified and people from all over world works together so it is very vital for leaders to understand the requirement for such condition they need to be more cooperative and should understand the requirement for other cultures. Leaders should develop more effective interpersonal skills to make the entire staff member who belong to different cultures into a one team. It is the need of the situation to develop skills to form a team which can work for leaders to achieve future objectives.

## 4. 1: Plan the development of leadership skills for specific situation.

Leadership is a very vital area for any organisation future, as now day’s world is developing very fast and demands are increasing. It is very vital to plan a development for leadership skills as it is the requirement for the future. Leaders need to more knowledgeable and skilful to handle future situations.

## Development of skills by means of Formal Learning

As there are new products are being introduced in market so it is necessary for leaders to be up-to date with these new products, for this purpose organisation plan formal training program to groom leaders for their future needs, some organisation send them for higher studies in universities to learn latest skills and get knowledge about new developments.

## Development of Skills by means of Training Programs

Leaders need to increase their communication skills because through this leaders will be able to achieve their objective more efficiently and properly. As new invention are being launch everyday so it is important for leader to be in touch with these products so leaders need to attend more and more seminar and conferences to attain further knowledge and improve their skills to meet the current and future requirement for leadership. Leaders should learn from the experience and they should always be more vigilant and active to see what is happening around them, they should need to develop the skill to learn from the mistake because if someone learns from mistake and experience that that will last in the mind of that person forever.

## 4. 2: Report on usefulness of method used to plan the development of leadership skills:

It is imperative for leaders to develop more skill to cope with future challenges and demands, as discussed earlier about current and future leadership requirements and leadership plan it is very important that method which are used to improve leadership skill should be more effective and useful so objective can be achieved “ leadership requires vision, contagious, enthusiasm and self-confidence, empowerment, action enabling of others, getting things done, making things happen(David I. bertocci, 2009). Formal learning is very good way to improve skill and get further knowledge about upcoming challenges. The extent of which leadership competencies are acquired and used depends on the type of development activities that occur (e. g., training, experimental learning, self learning), facilitating condition (e. g. boss support, learning environment), and qualities of the individual manager (flexible, pragmatic, learning oriented) (Hall & Seibert, 1992).

## Conclusion: