

Organisational change in the sandwich factory management essay



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This report will explore the type of leadership styles are used in The Sandwich Factory. Kirsty Flower owns The Sandwich Factory which was established in 2005 by her and her colleagues that worked before hand together in similar industry. All the managers in the organisation consist of women which form the Senior Management Team.

Kristy's leadership styles integrate with modern leadership theories in many different ways, one theory more than the other in some cases. The modern approaches to leadership this report will look in depth are Leader-member Exchange theory, Path-goal theory and ' New' leadership.

The success or failure of The Sandwich Factory depends on Kirsty's manager leadership qualities. " Leadership is the activity of influencing people to strive willingly for group objectives" (Kumar 2001: 190). To succeed a leader needs have a motivated team which can only be achieved by the leader taking control as well as listening to the follower's issues or needs.

The modern leadership theories are commonly found in today's society amongst leaders. These theories can be applied in all types of organisations from a small business to multinational cooperation's. The approaches are further frequently used rather than the older theories such as The Great Man theory and Trait theories. The modern leadership theories take more into account the motivation of subordinates, how the follower feels and considers the workers important, it is them that lead to the success of the company.

Introduction to the Path-goal Theory approach

There are umpteen types of modern approaches to leadership, path-goal theory, leader member exchange theory and new leadership -

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transformational/transactional leadership. Subordinates have a lot more power in the modern approaches as compared to the older leadership theories. Kirsty's leadership may be seen as reflective of modern leadership theories and approaches as the evidence will show how the styles incorporate with the case study. Kirsty has several leadership styles; Path-goal theory is one of the approaches which are used in The Sandwich Factory by Kirsty, the owner. An examples of this style is " I have a vision and I try to make it clear to staff that we are in this together, all going the same way towards one goal" (Case Study: Week 5). Kirsty is letting all the followers know by this statement that there is a path and a target and everyone is in it together as a team. The role of the leader is to steer workers towards achieving the end goal. " Leadership also motivates when it makes the path to the goal clear and easy to travel through coaching and directions, when it removes obstacles and roadblocks to attaining the goal, and when it makes the work itself more personally satisfying" (Northouse 2007: 128).

There are many advantages to the Path-goal approach, Kirsty and the followers have mutual respect; it is easier to communicate with subordinates when there is a flatter system and fewer channels to get through, the leaders style is informative, encourages and supports the employees, and shows guidance in achieving goals. The theory works around context and the work setting rather than leader's style which occurs in the contingency theory. " The underlying assumption of path-goal theory is derived from expectancy theory, which suggests that subordinates will be motivated if they think they are capable of performing their work, if they believe their efforts will result in a certain outcome, and if they believe that the payoffs

for doing their work are worthwhile” (Northouse 2007: 127). The responsibility of the leader is to help employees achieve their target, making sure that the path to the end goal is understandable and simple; from this workers will become confident and be motivated for future tasks. Subordinates will find the work easy as the goals will be broken down and explained well by superiors.

There are also flaws to the Path-goal approach; the theory assumes the leader knows everything and has the qualities to give a clear path to followers to reach their goal. It also presumes that subordinates will be motivated by the perception of the possibility of achieving a goal and the leader is expected to have a positive impact on the followers and motivate them regardless of the situation.

Introduction to the Leader-Member Exchange Theory approach.

The Leader-Member Exchange (LMX) theory is another approach which applies to the case study; it is the only theory that deals with in and out groups. All the employees seem to be in the in group; luckily The Sandwich Factory has no visible out group. The in group has dyadic relationship with the leader where as the out group has more of a formal relationship with leader and are not felt a part of the tasks that are performed. These groups are created by the leader, if the followers agree to negotiate with the leader then they will become a part of in the group and will be further more involved with current and perhaps future projects depending if the individual can keep the leader satisfied with the standard of performances. The job of

the leader in the LMX theory is to ensure that followers feel important and unique member of the team.

The LMX theory develops into two stages; firstly the leaders initial impressions of the worker such as their personal and demographic characteristics. Secondly the output that is produced by the employee, the leader will judge if the tasks completed are to standards expected, on this basis the worker shall either enjoy high quality leader-member exchange or they shall be placed in the out group by the leader, where treatment will not be so pleasant.

An example of the LMX theory in the case is when Kirsty mentions workers can add their own input to the business, these type relationships exist when the leader has a strong and stable relationship with employees which is a feature of this approach. " I also have to trust staff to be fully committed to what we want and I`m open to any ideas on how to make that vision a practical reality" (Case Study: Week 5). Kirsty has developed a loyal individual relationship with all team members which in effect will create a greater output as the Senior Management Team will be motivated by Kirsty's influence.

One of the undeveloped parts of the theory is a follower from the in group is perceived to be good at all task just because the subordinate is good at one task " For instance, a member's less than satisfactory job performance is tolerated because of the loyalty he has shown to the leader" (Othman, Ee and Shi 2009: 340). This implies that the leader may misunderstand the worker and misclassify their performance. This is a defect of the LMX

approach which is major compared to other theories as it affects the quality of work. There can be constant change within the groups, people maybe be dropped or may start involving themselves with in the in group depending on circumstances.

Introduction to the ‘ New’ Leadership Theory approach

Transformational leadership came into focus in the early 1980’s. This theory gives attention to charismatic and effective aspects of leadership; it changes and transforms subordinates as the name implies. “ It is concerned with emotions, values, ethics standards, and long-term goals and includes assessing followers’ motives, satisfying their needs, and treating them as full human beings” (Northouse 2007: 175). Kirsty’s leadership style can be seen as transformational as she is interested in on focusing on helping every member of the group succeed. Kirsty says “ I try to be hand on hand to clarify any issues the staff have” (Case Study: Week 5).

One of the components of the transformational theory is Idealised influence (charisma). This method the leader shows clear set of values that need to be followed and acts as role model to the workers. “ This charismatic dimension of transformational leadership is characterised by providing a vision and a sense of mission, instilling pride among the group, and gaining respect and trust” (Humphreys, Einstein 2003: 86). The leader is seen as a hero by employees.

Kirsty is getting more out of her staff since they seem to be in high spirit at work. An example of this approach being applied in the case study is “ the staff seem to be happy and enjoying the devolution of authority and

responsibility I`ve been able to give” (Case Study: Week 5). This can be seen as individual consideration to members of the team that Kirsty feels can be developed to accomplish more.

The flaw of the approach is it tries to involve too many factors which can create confusion and uncertainty to the follower and the leader if it were too be practiced upon. Transformational theory is unlike other theories it does not take into consideration how the leader should act to particular situations to be successful.

Transactional behaviour is a part of the modern theory approaches, which comes under the ‘ New’ leadership approach. It works by motivating subordinates and rewarding or punishing them depending on how well they perform with the tasks. In this approach the leader has hold over the followers and expects the workers to perform to high standards. Kirsty does not hold this type of style; her leadership approach is more towards the Transformational theory which is more lenient and considerate towards the follower.

The strengths and weaknesses of Kristy’s leadership – Path-goal theory approach.

There are many strong points and weakness of Kirsty’s leadership in The Sandwich Factory. The first approach that will be critically analysed is the Path-goal theory. This style is concerned with how leadership behaviour can influence the satisfaction and performance of a follower in an organisational setting. The Path-goal approach is about diminishing obstructions to reach goals then rewarding the employees for task achievements. “ In essence, the

path goal theory attempts to explain the impact that leader behaviour has on subordinate motivation, satisfaction and performance” (Jain 2005: 328)

One of the strengths of the Path-goal approach is that it deals with a combination of factors. There are a few types of leadership styles in the path goal theory, the approach suggest that these behaviours should be used in different circumstances to motivate subordinates.

Supportive Leadership – the leader attempts to solve any concerns of the subordinate, so if the follower is unsatisfied the leader will show genuine support to help resolve the issue facing the person. “ The supportive leader likes a friendly environment and gives strong attention to the needs and wellbeing of his or her subordinates” (Silverthorne 2001: 151). This type of approach is best used when jobs are boring or stressful e. g. car manufacturing factory.

Achievement Orientated Leadership – The leader has set high expectation for followers at this style, challenging the employee to his/her fullest, hoping the subordinate will excel in their field, showing confidence that they will achieve goals set and perform well. “ People who perform a variety of tasks may find their jobs more satisfying and have less need for social support” (Marriner-Tomey 2004: 174).

An example of this approach being applied in the case study is “ the staff seem to be happy and enjoying the devolution of authority and responsibility I`ve been able to give” (Case Study: Week 5). This shows that subordinates are content and willing to take on extra tasks.

The disadvantages of the Path-goal theory are it is too broad and tries to involve all aspects (directive, supportive, participative and achievement orientated leadership), and incorporate all these together which makes it difficult to actually practice upon the theory fully. It also does not explain how these four types of approaches will affect the employees work. This leaves the practitioner with insufficient proof how this theory will work in reality and how it can be applied to an organisation.

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The strengths and weaknesses of Kristy's leadership – Leader-Member Exchange approach.

As discussed earlier in the report the LMX theory relates to the case, Kirsty and her friends that previously worked for Mr Bakes all moved across to start a new company called The Sandwich Factory which consisted of Kirsty and several other colleagues as having share in the business. The friends are noticeably in the in group, which is considered a strength, where Kirsty has a strong relationship with these subordinates, who have been given a managers role “ Kirsty`s colleagues now hold senior positions on the Senior Management Team (SMT) (Human Resources, Finance and Production)” (Case Study: Week 5). Kirsty and the followers have mutual respect and trust towards one another which are strengths of the LMX theory.

The theory emphasises the importance of recognising the existence of in and out groups within the work place. LMX theory is the only leadership theory that makes the concept of a relationship between leader and follower the centrepiece of the leadership process. “ Leaders in high quality LMX relationships rely heavily on followers to act in their stead (Dunegan et al., <https://assignbuster.com/organisational-change-in-the-sandwich-factory-management-essay/>

1992) and encourage them to undertake more responsible activities (Graen and Uhl-Bien, 1995)” (Kang, Stewart 2007: 534). In the interview Kirsty answered saying “ we all got on well with our previous employer” (Case Study: Week 5), this implies that the relationship must of been healthy with Mr Bakes organisation. The in group has been carried forward to Kirsty’s company The Sandwich Factory, one of the strengths of this approach.

It can be argued there are limitations to the LMX theory, the out group are deprived of attention from the leader “ in the context of work groups, it is possible that such a situation can be divisive and undermine group performance” (Othman, Ee and Shi 2009: 340). This type of behaviour is can be seen as destructive leadership as it upsets employees even though partially some of them may be content with their job and boss. The out groups morale will be extremely lower compared to the in group who will be enjoying a healthy relationship with the leader. Staff in the out group will not be so committed and motivated to do well in their jobs. The Sandwich Factory does not have an out group just yet this may be because the company is relatively new and Kirsty leadership style will not allow it for these types of circumstances to occur as they will have negative repercussions.

First impression of this theory will not be great to leaders and practitioners as it displays unfairness and favouritism towards the out group as leaders are only concerned with performance.

The strengths and weaknesses of Kristy's leadership – ‘New’ Leadership approach.

Kirsty has transformational leadership qualities, which is another modern leadership approach, this also known as ‘New’ Leadership which in addition has Transactional Leadership. She takes control of situations by conveying a clear vision of The Sandwich Factory's goals and objectives; she has a passion for the work and the ability to make the followers feel re-energized. This type of leadership consists having a shared vision and unity within the team.

One of the strengths of transformational leadership is to give clear direction and involve others in developing the vision. This statement given by Kirsty in the Young Entrepreneur (London) Monthly relates to this theory “ The original idea to start up the company was mine, but I needed people to come with me to make my vision work for the betterment of all involved in the company” (Case Study: Week 5).

The transformational theory has become popular over time as it allows the leader to get the most out of the follower when executed in a considerate but professional manner. Bass (1990) suggests that by applying the behavioural characteristics of transformational leadership, leaders can guide their followers toward performance beyond expectations (Humphreys and Einstein 2003: 85).

The disadvantage of the transformational approach it depends on highly skilled and developed employees to be triumphant in tasks assigned to them. Another criticism about the theory is the approach presumes followers

want change. This theory also believes that leaders are people that can transform others around them. Then this brings up the question, how sure are the followers that the leader is making the right decision?

The Transactional theory is about the leader having full control and authority over subordinates. The leader makes it clear what is required from the follower. A form of transactional approach in the case is when Kirsty says “ I found myself papering over some cracks that appeared in the early days when we had to get things done fast” (Case Study: Week 5). Transactional leader works on a reward or punishment basis to motivate followers, if the employee reaches targets within a low budget then they will be given an incentive and if the worker fails the task or is not complete on time the worker will be punished or the leader will begin to make the follower feel uncomfortable.

The limitation of the transactional approach is that its primary focus is on rewards and punishments. Rather than the growth and needs of employees which the transformational theory concentrates on along with other styles, maintaining a balance of what is important.

Conclusion

All three modern leadership theories and approaches have been identified in this report and how they have impacted subordinates as well as the leader. The path-goal theory motivates workers to make them feel that they can do the work and Kirsty uses this style to encourage subordinates that they can fulfil tasks. Transformational theory has the same type of idea but it seems less complex to use and apply in The Sandwich Factory. The LMX approach is

not widely used or applied but there are hints of the theory with in the case, mostly regarding the in groups that have been created in the company by Kirsty.

The entire the way through the case study Kirsty keeps referring to ' we' as the organisation went through all different stages together e. g. " we created a market", " we had to get things done faster" and so on. This is clear evidence that Kirsty does not just see herself running The Sandwich Factory but strategically as team, which shows great leadership to progress forward. Evidentially these modern leadership theories have been used by Kirsty and have worked well. The analysis has revealed the strengths and weaknesses of the modern leadership approaches related to The Sandwich Factory.