



MANAGERS VERSUS LEADERS: THE DEBATE CONTINUES

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By Tara Carr, Small Business Development Director at UW-Green Bay

We use the terms ‘manager’ and ‘leader’ interchangeably, but are they? There are differences between a leader and a manager. Managers monitor and manage the day-to-day work, utilize their power and control to get work completed, and carries out functions such as planning, leading, organizing and controlling. Leaders set the vision, develops, motivates and inspires people.

Not all managers are leaders. Skilled managers can have strong leadership qualities, but it is rare. A manager with leadership skills needs to monitor work requirements, as well as inspire, engage and empower employees and encourage creativity in the workplace. A leader adds value; managers count value: budgeting, forecasting, planning and controlling. Leaders create a circle of influence; managers create circles of power. Managers are reactive; leaders are proactive. Managers delegate tasks and shift responsibility; leaders take responsibility. Leaders create vision, motivate, inspire, encourage team work, build relationships, coach, teach and mentor; managers have people that work for them by following a process, standards, rules and execute a vision. Employees buy-in on the leader’s ideas by challenging a different way of thinking. Leaders limit status quo thinking and effectively communicate the future path, while inspiring and motivating the team.

Leadership inspires change and management promotes stability. To instill stability, whether a manager or leader, it boils down to trust. Trust is earned by success, consistent behavior and responses, specifically in times of ambiguity, stress or crisis. Implementation of change can happen at the leadership level, but needs the buy-in and follow through at the management level to be effective. How the change is communicated, implemented and executed creates the stability. The leader is not the implementer, as that role is for the manager. Stability comes from both the leader and the manager based on how they handle situations and consistency. Management and leadership must be a unified front to be effective when implementing change within the organization.

Traditional management included an emphasis on power and control by managing with fear, hence the ‘big stick’ approach. Fear of the hammer coming down, fear of termination, and fear of failure was the way of the past. Authoritarian Leadership (dictator style) has proven unsuccessful business after business. Authoritarian Leadership tends to build resentment, limits creative problem solving and creates a demoralizing work atmosphere of distrust and feeling undervalued. Conversely, authoritarian leadership can be successful for working conditions where error must be kept at a minimum for safety, such as the military.



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It is not necessary for a leader or manager to exercise their power and control to be effective or respected. Self-motivated employees need to know the expectations and goals and they will strive to meet or exceed each one. Managers or leaders that need to exercise their power by holding a carrot above the head of the employee is not a very good manager/leader and the behavior is counterproductive. If the leader is doing their job by communicating expectations and providing feedback, then power is not needed to manage performance. Typically, managers that feel a lack of control or respect from their employees become driven for power and their behaviors are reflective of their insecurities.

The strength of servant leadership originates from the respect and motivation that was created by empowering employees. The influence of the leader is also manifested by having the best interest of the employees and customers first, versus the leaders' self-interests. As leaders focus on the well-being of others it is quickly recognized by their staff. True servant leaders do not have power struggles. Occasionally, power struggles do happen in the workplace and they must come to a quick resolution to be fixed. Too many times we get caught up in the illusion of power, whether that is knowledge, expertise or being the decision maker. Many believe that knowledge is power and those individuals safeguard that information as if it were gold. To eliminate power struggles, it is important to establish a relationship by creating trust and focusing on the common goal and relinquishing the need for power.

The answer to the leadership and manager question is BALANCE. Manage too much and it reduces creativity and employee morale. It is essential to monitor and improve performance while managing goals and continually create new goals by inspiring out-of-the box thinking. It is also important to maintain standards while you lead to prevent lack of discipline and possible chaos within the organization. For a business to be viable, the best managers and leaders need to have interchangeable skillsets and be balanced in their approach.

The Wisconsin Small Business Development Center (SBDC) at the University of Wisconsin Green Bay is part of a statewide network of SBDCs working with business owners and entrepreneurs to facilitate business growth and improvement, and to launch successful new companies. The Small Business Development Center offers a variety of services: no-cost business consulting, customized business solutions, financial management, growth & strategic planning, and professional development training.