Based on the leadership style of different companies to analyze the advantages and disadvantages of different management styles

Qifeng Yang¹, *, †, Xinyi Zhu², †

¹Wuhan Britain China School, Wuhan, China
²Guangdong Experimental High School, Guangzhou, China

*Corresponding author: allenyangqifeng@outlook.com
†These authors contributed equally.

Abstract. This study aims to analyze advantages and disadvantages of different leadership style. Look into various leadership philosophies and relevant real-life examples online. The author has gathered thorough knowledge on examples of leadership style. This analysis is built on examples of several leadership styles. Different leadership styles have different impacts on enterprises, and the advantages and disadvantages of different leadership styles will also have various of impacts on enterprises. Can also affects employees. Enterprises have appropriate leadership styles at that stage in each stage of development. Enterprises with different development prospects need to have different leadership styles. Only by finding the most suitable leadership style can they develop better. All our preliminary result throw light on the nature of different leadership styles.

Keywords: Democratic leadership; Authoritarian leadership; Transactional leadership.

1. Introduction

Different leadership styles will have different influences on the promotion and development of each group, and will also foster a variety of corporate cultures. At one time, the leadership style of each group management will be determined by different industries, cultural differences and the personality of leaders. There are so many different kinds of leadership styles out there, and we've put together three of them with examples.

2. Democratic leadership

2.1 Definition of democratic leadership

Democratic leadership is a very effective leadership style, which makes all employees feel empowered in the organization, which also makes leaders more approachable. In this style of leadership, when making a final decision on a matter, the leader often takes into account the opinions of employees, which has nothing to do with their educational background and professional knowledge. To take a simple example, in a meeting, the leader will offer some choices related to decision-making to employees. After discussing each choice, the leader will consider the ideas of the whole team and the feedback of each choice [1]. Democratic leadership is action that effects people in a attitude consistent with conducive to democratic principles and processes, such as self-determination, inclusiveness, equal participation, and basic deliberation [2].

2.2 Example of democratic leadership

Google is a typical example that Google's corporate culture is free and open, advocating free communication and free speech. The founders also have lunch with employees and cater to their personal needs. Each employee also sends a weekly email to his or her team reporting on the previous week's work, to know their state for work and make sure they complete task for the week. Google co-founder and CEO Larry Page says employees can be more productive if companies treat them like home.
2.2.1 Advantages of democratic leadership

If employees are involved in making decisions, they will feel like part of the company and more involved, which will motivate the enthusiasm and work efficiency of most employees. And people will want to keep at this company, that is why google have small percentage of leaves worker. Google got successfully may because all decisions are based on discussions between leaders and employees, which reduces the risk and proportion of irritate because every decision is the result of the wisdom of all. And also, they can keep their company never stop innovation.

2.2.2 disadvantages of democratic leadership

Negative emotions arise, and democratic leadership styles do solicit opinions, perspectives and experiences. It brings out different types of team members, and if one team's ideas are always implemented, the other team may feel negatively influenced and that their opinions are not valued. It can lead to procrastination, and teams that rely on this type of leadership can put themselves off procrastinating more often, waiting for employees to tell them about better ideas and putting off making decisions. Providing a constant factor of uncertainty, democratic leadership will create a sense of uncertainty in a team that sometimes needs to make quick decisions. If leaders make resolve without asking the team, then employees may wonder if management consults them about future needs, either by taking time to get feedback on each team's ideas or by losing confidence because of the team's uncertain choices [3].

3. Autocratic Leadership

3.1 Definition of Authoritarian Leadership

The character of autocratic style is a leader controls a company and lead a person make decisions. Authoritative leadership style is both indicative and authoritarian, and may vary only in the degree to which it is indicative and authoritarian. Autocratic leadership involves definite, leader need to control over a group [4].

3.2 Example of Authoritarian Leadership

His Innovation consciousness, his ‘meticulous eye for detail’, was clearly led the way to Apple’s triumph. What made Apple such a distinct brand in a world of fast-growing tech companies was its ordinary – a creative of Jobs and his striking talent. And jobs said “It doesn’t make sense to hire smart people and tell them what to do; we hire smart people so they can tell us what to do [5].”

3.2.1 Advantages of Authoritarian Leadership

The emphasis on vision and goals in authoritative leadership encourages employees to work toward them. A visionary who understands how to inspire people by making it apparent that their job is a part of the organization's vision and goals is an authoritative leader. People that work for this type of leader are aware of the significance of their work and the reasons behind this importance. Employee participation in the organization's goals and strategy is another benefit of authoritative leadership. They established standards for action based on the vision and aim of the organization and assigned specific responsibilities within that framework. He only considers if an employee's performance advances the mission and goals of the business while providing feedback, whether it is positive or bad. The ultimate objective is emphasized by authoritative leaders, although enhancing crisis response. Being in constant authority and being aware of what is expected of them in terms of decision-making, authoritarian leaders. With this level of assurance and pressure, there is less chance that the leader will procrastinate or disregard the necessity for decision-making. In addition, during a crisis, leaders don't have time to sit down and consult with others in order to support workers' decisions. Autocratic leaders use their power in this manner.
3.2.2 Disadvantages of Authoritarian Leadership

Leaders do not care about employees, and are harsh and indifferent to employees. Employees will not feel a sense of belonging. So, the group aura and fight were not ideal. Disengagement, apathy, low cohesion and even hatred are usually responses to high authoritative leadership. That will cause high turnover. Will bring lies, tyranny, corruption, white terror. The inability to restrain despotic executors reduced the enthusiasm of the workers. Because leaders are lack of attention to take care about that. High authoritative leaders regular discourage communication among members and foster communication between leader-member and member-leader. The lack of communication between members hampers morale and cohesion.

4. Transactional leaderships

4.1 Definition of transactional leadership

An emphasis on exchange and between leaders and workers are characteristics of transactional leadership. To meet the needs and wishes of their subordinates, leaders offer compensation, rewards in kind, opportunities for advancement, honor, etc. In return, the subordinate must follow the leadership's instructions and complete the assigned task. Tactics, efficiency targets, economies of scale, and quality distinction are some typical management strategies. Transactional managers prioritize tasks and objectives connected to performance [6].

4.2 Example of transaction leadership

Sports coaches are a good instance of transactional leadership. They encourage self-discipline. They instilled a sense of hard work in order to be rewarded. Let's assume that some athletes lack motivation and exercise. The coach will ignore them and disqualify them from oversea competitions [7].

4.2.1 Advantages of transaction leadership

This style of leadership is good for motivating employees, it can help employees increase their confidence and responsibility, and it is an effective leadership style that encourages employees to do their best to achieve their goals. Improved direction Leaders connect each subordinate's standard operating procedures, aims, and objectives with the organization's mission and goals. They created SMART objectives: short-term, measurable, achievable, realistic, and time-bound. They employ rewards and penalties to get the desired outcomes.

4.2.2 disadvantages of transaction leadership

Lack of relationship building between different positions, managers usually focus on using rewards to motivate employees to complete tasks, but they don't pay attention to other working conditions, such as the manager-employee relationship, which may be an important factor in engagement and satisfaction. If leaders only care about employees meeting their goals and never create a satisfying work environment, they are likely to lose good employees.

It is difficult to find a reward that will satisfy all employees. Different people are motivated by different factors. Some people think that money is a kind of reward, some people want more holidays and leisure time, and some people need a lot of subsidies, such as insurance, reimbursement for work and so on. Thus, it can be seen that the fixed reward system does not meet the needs of all people, hypothesis, when occurrence problem of human body, they may be most in need of health problems, work motivation may shift from money to all kinds of health insurance or more time to rest, everybody doesn't always find the right company at different times of demand, it is very complicated.

Inhibition of creativity. Different period of enterprises needs different development direction, the innovation and development of an enterprise is summed up in the failure and mistakes, and transactional leader does not punish because of staff unable to finish the task, how much does not provide creative space, this kind of environment, does not encourage employees to put forward a new
idea, leader sacrifice any price target for. Google, for example, allows employees to spend up to 20 percent of their time on side projects, which can increase creativity and help the company innovate - a drawback of transactional leadership

There is no long-term vision. Transactional leaders will focus on short-term goals and plans instead of long-term plans. Continuously achieving phased goals is beneficial in the short term, but it cannot provide an accurate positioning for the enterprise. No matter what enterprise, it needs to know its own situation and the general direction of future development, and take measures, so as to make accumulation for future development.

5. Laissez-sire leadership

laissez-faire leadership, the style is suitable for a startup business, the style of leadership, the leader will put most of their decisions to employees, so that we can make each of us has our own goals and ways of working, employees can find their most suitable ways of working, but the implementation milestones need to face it is difficult, sometimes this may limit their own development and some opportunities.

5.1 Example of laissez-sire leadership

In school: Students are always observed by teachers in class, these kids can feel free to express their own opinion. Although this may cause lack of expectation and roles in the classroom [8]. In government: The government that displays laissez-faire leadership would leave decisions to subordinates and a lack of provide direction [9].

5.2 Advantages of laissez-faire

It promotes employees' personal development. Employees have the chance to get their hands dirty since bosses take such a hands-off approach. The environment that is created by this leadership style encourages personal growth and skill development. It promotes creativity. Giving employees more independence fosters innovation and creativity. They are free to present the idea at any moment. It enables quicker decision-making. Under laissez-faire leadership, employees have their own autonomy without any micromanagement. Without having to wait weeks for the approval procedure, they may act immediately.

5.3 Disadvantages of laissez-faire

Isolation: Too much freedom can lead to isolation and affect team building. Because of the leader's freedom system, employees tend to show less concern for their own projects. It will cause low efficiency. Bad effect for company. Accountability is low: In this free system, some incompetent leaders will take this as an excuse to avoid responsibility. When the team's periodic goals are not fulfilled, the leader will blame the team members. Roles aren't clearly defined in some instances as a result of the laissez-faire attitude [10].

6. Conclusion

This paper analyzes the advantages and disadvantages of different leadership styles from example. This essay may help leader to better know what kind of leadership styles leader’s fit. According to the passage, we know transactional and democratic leadership will pay off in the long run and create a great team culture and effective for employee motivation. And authoritarian leadership may be a good way to get employees to a goal. But not the most effective for other aspects, depending on the current situation of the team. There may not be the most suitable choice for these leadership styles, but the best option may be made under specific circumstances
References


