

“Inspire: The Compelling Case for Leadership over Management”

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“American organizations are under-led and over-managed,” Warren Bennis in book, ‘Why Leaders Can’t Lead’ (Jossey Bass).

Bennis’s quote gives us pause for thought because most people intuitively know it’s true and yet we still perpetuate this mantra. Oddly enough, even though organizations persist with such behavior, they also know, when challenged, that their people prefer not to be managed, they yearn to be led. So where do we go from here?

It is probable that we stick with this over-management syndrome partly because old habits die hard. Until the 1960s and 70s workforces needed much more management because they were less well-educated, consequently expected much of the thinking to be done for them. Modern day worker bees have different horizons and expectations, as well as access to many more communication tools to give them a better and faster perspective. They want to be included in the business rather than just be a “pair of hands.”

Another likely reason for sticking with over-management behavior is because we don’t have a clear understanding of the fundamental differences between leadership and management and the potential outcome of both. We’ve been conditioned to primarily value the outcome of management: even though, intuitively, we are aware that considerable benefits abound when we taste leadership. So, let’s examine some of the differences between the two and then let you decide which one makes the most sense.

- **Leadership-Management Definitions** – Leadership *equates* to people and effectiveness thinking, whereas management *equates* to systems and efficiency thinking. Effectiveness is about ‘doing the right things,’ while efficiency is about ‘doing things right.’ More importantly, effectiveness is about doing the right things, first time. Leadership is empowering people to utilize their intuitions to produce the most creative results. It’s also about giving people the confidence to utilize their best talents and abilities. So it is more likely to allow them to release their innovative genie from its bottle.
- **Performance** – By comparing the outcomes between a well-led and a well-managed organization, there is no comparison. Examples of a well-led company like Southwest Airlines are streets ahead in terms of results compared to its neighbor American Airlines. The people in Southwest love to assist the performance of their

company in any way, while those at American find it painful to go to work every day.

- **Markets** – Leadership is about riding the next market wave: whereas management is about trying to control it. Leaders realize there’s no point in squeezing every last drop out of a dying wave, when they should be looking for the next one. Managers have still not understood that they will have to reinvent their organizations after the Great Recession because they are hanging on to yesterday’s business. They don’t know where to start.
- **Resources** – Leaders focus on surrounding themselves with the right resources of all dimensions, while managers love to count what they have. We need both, but the leader who constantly figures out how to amass the best resources is much better off than manager who is constantly checking his bank balance.
- **Opportunities and Problems** – Leaders are almost exclusively focused on opportunities, which is why they’re exciting to be around. Managers tend to harp on about problems. Too many problems can be depressing, which is why so many managers have difficulty in mobilizing their enterprises.

Beyond these important distinctions, there are many other dimensions that illustrate the profound differences between two executive tools – leadership and management. Again, we need both, but when one is doggedly pursued at the expense of the other (as per Bennis’s quote) the full potential of organizations is lost. Experience has shown that effective leaders are usually also effective managers; but it is rarely true the other way around.

To learn more about the differences and outcomes contact one of our colleagues below:

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