Leadership versus Management: A Key Distinction—At Least in Theory

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ABSTRACT

Organizations provide its managers with legitimate authority to lead, but there is no assurance that they will be able to lead effectively. Organizations need strong leadership and strong management for optimal effectiveness. In today's dynamic workplace, we need leaders to challenge the status quo and to inspire and persuade organization members. We also need managers to assist in developing and maintaining a smoothly functioning workplace.

There is a continuing controversy about the difference between leadership and management. Not all managers exercise leadership. Often it is assumed that anyone in a management position is a leader. Not all leaders manage. Leadership is performed by people who are not in management positions (e.g., an informal leader). Some scholars argue that although management and leadership overlap, the two activities are not synonymous (Bass, 2010). The degree of overlap is a point of disagreement (Yukl, 2010). Leadership and management entail a unique set of activities or functions.

The first scholar to take a stand on this issue was Abraham Zaleznik, with his landmark article published in the *Harvard Business Review* in 1977. Zaleznik argues that both leaders and managers make a valuable contribution to an organization and that each one's contribution is different. Whereas *leaders* advocate change and new approaches, *managers* advocate stability and the status quo. Furthermore, whereas leaders are concerned with understanding people's beliefs and gaining their commitment, managers carry out responsibilities, exercise authority, and worry about how things get accomplished.

More recently, John Kotter (1990a, 1990b) of the Harvard Business School argues that leadership and management are two distinct, yet complementary systems of action in organizations. Specifically, he states that leadership is about coping with change, whereas management is about coping with complexity (Kotter, 1987). For Kotter, the leadership process involves (a) developing a vision for the organization; (b) aligning people with that vision through communication; and (c) motivating people to action through empowerment and through basic need fulfillment. The leadership process creates uncertainty and change in the organization.

In contrast, the management process involves (a) planning and budgeting, (b) organizing and staffing, and (c) controlling and problem solving. The management process reduces uncertainty and stabilizes the organization. Robert House (1997) concurs when he says that management consists of implementing the vision and direction provided by leaders, coordinating and staffing the organization, and handling day-to-day problems.

In emphasizing the difference between leaders and managers, Warren Bennis (1989) notes: "To survive in the twenty-first century, we are going to need a new generation of leaders—leaders, not managers. The distinction is an important one. Leaders conquer the context—the volatile, turbulent, ambiguous surroundings that sometimes seem to conspire against us and will surely suffocate us if we let them—while managers surrender to it" (p. 7). More recently, Bennis (2007) summarized his previous quotation as follows: "Managers do things right, while leaders do the right things" (p. 12).

Table 1 provides a broad view of the difference between leadership and management. The pairs of attributes, shown in Table 1, are presented as the extremes of a continuum. Most business executives do not function at these extremes. However, patterns that tend toward leadership on the one hand or management on the other hand are likely to emerge as business executives develop and use their skills in the workplace.

Table 1

Comparisons between Leadership and Management

Category	Leadership	Management
Thinking Process	Focuses on people Looks outward	 Focuses on things Looks inward
Goal Setting	Articulates a vision Creates the future Sees the forest	 Executes plans Improves the present Sees the trees
Employee Relations	Empowers Colleagues Trusts & develops	 Controls Subordinates Directs & coordinates
Operation	Does the right things Creates change Serves subordinates	 Does things right Manages change Serves superordinates
Governance	Uses influence Uses conflict Acts decisively	 Uses authority Avoids conflict Acts responsibly

As you examine Table 1, mark the point on each continuum item that reflects the relative emphasis on leadership or management by a person for whom you have worked. Business executives may lean more heavily toward either leadership or management at various times depending on the situation. However, most tend to operate primarily in terms of either the leadership or the management profile (Lunenburg, 2007).

There are several conclusions that can be drawn from the information presented in Table 1. First, good leaders are not necessarily good managers, and good managers are not necessarily good leaders. Second, good management skills transform a leader's vision into action and successful implementation. Some scholars believe that effective implementation is the driving force of organizational success, especially in relatively stable, "domesticated" organizations (Lunenburg, Thompson, & Pagani, 2010). Third, organizational success requires a combination of effective leadership and management. Furthermore, team-based organizational structures are extending leadership functions to work groups and cross-department teams in most modern organizations. Thus, there is greater opportunity for more input from group members at all levels of the organization (Lunenburg, 1983).

Conclusion

Organizations provide its managers with legitimate authority to lead, but there is no assurance that they will be able to lead effectively. Organizations need strong leadership and strong management for optimal effectiveness. In today's dynamic workplace, we need leaders to challenge the status quo and to inspire and persuade organization members. We also need managers to assist in developing and maintaining a smoothly functioning workplace.

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