

## AAA Business Bulletin

### Leadership styles

AAA members are often company owners or managers, leading a number of employees. They can also take up leadership roles as part of the AAA Business Clubs, Knowledge Networks and Sector Desks. Given the importance of effective leadership for companies and AAA alike, a Leadership training was organized, during which a number of particular leadership styles were identified and analyzed.

These leadership styles (drawn up by Daniel Goleman, 2000) are used by leaders at different moments in time, arising from differing needs in particular situations. The six leadership styles are: commanding, visionary, affiliative, democratic, pacesetter and coaching. The strengths and drawbacks of each style are summarized here.

**Commanding leadership** demands immediate compliance and creates a kind of “reign of terror” without flexibility or sensitivity to the morale and feelings of the people he or she is leading. This style should be used with extreme caution and only in genuine emergency cases, for example during a turnaround, when a hostile takeover is looming, or with problem employees with whom all else has failed.

**Visionary leadership** mobilizes people toward a vision with great enthusiasm. He or she motivates people by making clear to them how their work fits into a larger vision for the organization, maximizing commitment to its goals and strategy. The visionary leader states the end (*what* has to get done) but gives people plenty of freedom to develop their own means (*how* it must be done). It's a very effective leadership style in many circumstances.

**Affiliative leadership** aims to create harmony, trust and build emotional bonds by approaching people positively, leading to fierce loyalty. Open communication leads to the free sharing of inspiration, while trust allows for flexibility. In combination with the visionary style, this can be a very successful way of leading.

**Democratic leadership** forges consensus through participation. By spending time getting people's ideas and buy-in, trust, respect, and commitment are created. It is ideal when a leader is uncertain about the best direction to take and needs ideas and guidance from able employees, while it also works well to generate fresh ideas. This approach is not suitable in times of crisis, or when people are not competent or informed enough to offer sound advice.

**Pacesetting leadership** sets high standards for performance and is obsessive about doing things better and faster, asking the same of everyone else. If employees don't rise to the occasion, they're quickly replaced with people who can. This works well when all employees are very competent, self-motivated, and need little direction. In other cases, it often causes people to feel mistrusted, uninvited to take initiative, leading to dropping office morale.

**Coaching leadership** helps employees to identify their unique strengths and weaknesses, encouraging them to establish long-term development goals and plans. Coaching leaders are great delegators, willing to put up with short-term failure if it furthers long-term learning. This style brings and improves results, unless employees are resistant to learning or changing their ways.

Table 1. Summary of Goleman's six Leadership Styles

	<b>Commanding</b>	<b>Visionary</b>	<b>Affiliative</b>	<b>Democratic</b>	<b>Pacesetting</b>	<b>Coaching</b>
The leader's modus operandi	Demands immediate compliance	Mobilizes people toward a vision	Creates harmony and builds emotional bonds	Forges consensus through participation	Sets high standards for performance	Develops people for the future
The style in a phrase	"Do what I tell you."	"Come with me."	"People come first."	"What do you think?"	"Do as I do, now"	"Try this."
Underlying emotional intelligence competencies	Drive to achieve, initiative, self-control	Self-confidence, empathy, change catalyst	Empathy, building relationships, communication	Collaboration, team leadership, communication	Conscientiousness, drive to achieve, initiative	Developing others, empathy, self-awareness
When the style works best	In a crisis, to kick start a turnaround, or with problem employees	When changes require a new vision, or when a clear direction is needed	To heal rifts in a team or to motivate people during stressful circumstances	To build buy-in or consensus, or to get input from valuable employees	To get quick results from a highly motivated and competent team	To help an employee improve performance or develop long-term strengths
Overall impact on climate	Negative	Most strongly positive	Positive	Positive	Negative	Positive

Goleman, Daniel, "Leadership that Gets Results" Harvard Business Review. March-April 2000 p. 82-83.

The full publication of Goleman on Leadership Styles can be found here <https://hbr.org/2000/03/leadership-that-gets-results>. At the AAA Resource Centre more details can be found on the AAA Leadership Training.