

Exercise walk-through

# 7.3

## Leadership

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A-Level Business

# Leadership styles

- **autocratic** – leader decides alone
- **paternalistic** – decides for staff's good
- **democratic** – asks staff first
- **laissez-faire** – staff decide freely

The best style fits the task, staff & time.

# Leadership styles, in detail



The styles form a continuum: autocratic keeps all control with the leader, while laissez-faire gives staff the most freedom

# The leadership styles, by who decides

**autocratic**

the leader decides alone and tells staff – fast, and it wastes their knowledge

**democratic**

staff are consulted before the decision – slower, and better accepted

**paternalistic**

the leader decides, but in what they judge to be the staff's interest

**laissez-faire**

staff decide for themselves – excellent with experts, poor with novices

**what should decide**

the urgency, the risk, and **how skilled and motivated the staff are**

No style is best in general. The mark is for matching the style to the **situation** the case study describes.

# Emotional intelligence and leading change

## **emotional intelligence**

understanding and managing one's own and others' feelings – it builds trust and handles conflict

**resist**



**explain ■ involve ■ support**

**accept**

leading change moves staff from resistance to acceptance

## Hard vs soft HRM, and unions

### hard HRM

staff = a cost; tight control, short contracts

### soft HRM

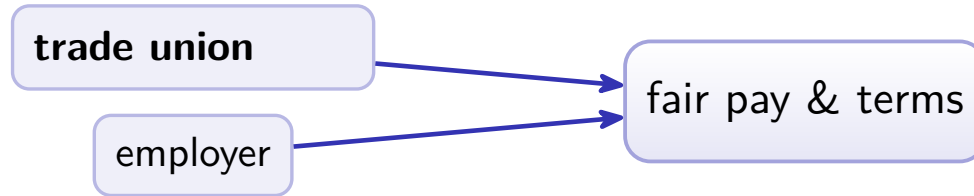
staff = an asset; develop & motivate

trade union

employer

fair pay & terms

collective bargaining



## Exercises 2.1-2.3

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**2.1** State two leadership styles.

[2]

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**2.2** Define the term *autocratic leadership*.

[2]

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**2.3** Define the term *emotional intelligence*.

[2]

## Exercises 2.1-2.3

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**2.1** State two leadership styles. [2]

**2.1**

- any two of: autocratic; democratic; paternalistic; laissez-faire (1 + 1)
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**2.2** Define the term *autocratic leadership*. [2]

**2.2**

- a style in which the leader makes decisions alone and tells staff what to do (2 for a clear definition; 1 for a partial idea)
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**2.3** Define the term *emotional intelligence*. [2]

**2.3**

- a leader's skill in understanding and managing their own and other people's emotions (2 for a clear definition; 1 for a partial idea)

## Exercises 3.1-3.2

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**3.1** Explain one situation in which an **autocratic** leadership style is most suitable. [3]

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**3.2** Analyse two benefits to a business of a **democratic** leadership style. [8]

## Exercises 3.1-3.2

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**3.1** Explain one situation in which an **autocratic** leadership style is most suitable. [3]

### 3.1

- [3] **AO1** 1 – give a situation (an emergency/crisis; unskilled or new staff; a quick decision needed). **AO2** up to 2 – develop it, e.g. in a safety crisis there is no time to consult
- the leader decides at once
- the danger is dealt with quickly (2 developed / 1 limited)

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**3.2** Analyse two benefits to a business of a **democratic** leadership style. [8]

### 3.2

- [8] For **each** of two benefits: **AO1** 1 + **AO2** 1 + **AO3** up to 2. Example chains – *motivation*: staff are asked for ideas
- they feel valued
- they work harder and stay longer. *Better decisions*: staff who do the job share knowledge
- managers decide with fuller information
- fewer mistakes. Maximum 4 per benefit, 8 total

## Exercise 3.3

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**3.3** A business is going through major change. Evaluate which leadership style its managers should use. [12]

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**3.3** A business is going through major change. Evaluate which leadership style its managers should use. [12]

### 3.3

- [12] **AO1** 2 / **AO2** 2 / **AO3** 2 / **AO4** up to 6. **Autocratic** gives quick, firm direction in a crisis but may raise resistance. **Democratic/paternalistic** involves staff and eases fear, building acceptance, but is slower. Judgement: leading change usually needs a leader with high emotional intelligence who involves staff (democratic/paternalistic) to win acceptance, but may act autocratically when speed is vital – the best style depends on the urgency and the staff's reaction