# THE DIFFERENCES BETWEEN MANAGEMENT AND LEADERSHIP

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Abstract. There are a differences between management and leadership. The aim of this review is to determine the differences between management and leadership. The result of this review showed that management and leadership are two very distinct functions. Although, management and leadership do share many similar duties which consist of working with people and influencing others to achieve goals. Management skills are used to plan, build, and direct organizational systems to accomplish missions and goals, while leadership skills are used to focus on a potential change by establishing direction, aligning people, and motivating and inspiring. Leadership and management must go hand in hand. They are not the same thing. But they are necessarily linked, and complementary. Any effort to separate the two is likely to cause more problems than it solves.

Keywords: The differences, leadership, management

#### Introduction

Management and leadership are important for the delivery of good services. Although the two are similar in some respects, they may involve different types of outlook, skills, and behavior. Good managers should strive to be good leaders and good leaders, need management skills to be effective.

Leaders will have a vision of what can be achieved and then communicate this to others and evolve strategies for realizing the vision. They motivate people and are able to negotiate for resources and other support to achieve their goals.

Managers ensure that the available resources are well organized and applied to produce the best results. In the resource constrained and difficult environments of many low – to middle-income countries, a manager must also be a leader to achieve optimum results.

One may assume that all managers are leaders, but that is not correct since some of the managers do not exercise leadership, and some people lead without having any management positions. Therefore, there is a continuing controversy about the difference between leaders and managers. Some scholars argue that although management and leadership overlap, the two activities are not synonymous (Bass, 2010). Furthermore, the degree of overlap is a point of disagreement (Yukl, 1989). In fact, some individual see them as extreme opposites, and they believe that good leader cannot be a good manager and the opposite is true (Ricketts, 2009).

Leadership and management entail a unique set of activities or functions. While leaders and managers share some similarities because they both influence others by using specific powers to achieve certain goals, there are also some prominent differences (Northouse, 2007). While, managers maintain a smoothly functioning workplace, leaders test the current position and encourage new functions, so they are looking for long-term goals (Yukl, 1989). In today's vigorous workplace, organizations need both effective

**SINERGI**, VOLUME 7, NOMOR 2 MARET 2017 management, and effective leadership for optimal success (Kotterman, 2006).

This review article will address and compare fundamental definitions of leadership and management, the specific types of skills for the manager and the leader, and discuss the similarities and differences between management and leadership.

## Methodology of Analysis

An extensive literature search was conducted using the following electronic databases: EBSCO, EMBASE and Google Scholar. The search aimed to identify and locate all previous articles which discussed the differences between the management and leadership. There was no time limitation; however the research was limited to only articles written in English. The title should have "management" and "leadership" terms within it. The keywords and phrases used in the research include (leadership) and (management), or (differences), or (similarities). Original and peer reviewed articles were considered for this review.

The search identified 231,000 articles focusing on leadership and management. A total of 25,700 articles remained after eliminating those that were duplicated on Google Scholar and across the three databases.

#### **B.** Review of Literature

Katz defined the management as exercising direction of a group or organization through executive, administrative, and supervisory positions (Katz, 1955). Katz

thought that management responsibilities are tasked-oriented, and it involves developing staff, mentoring persons with high potential, and resolving conflicts while maintaining ethics and discipline (Katz, 1955). Kappa states that the aim from a good management is to provide services to the community in an efficient and sustainable manner (Kappa, 1991). Moreover, Kotter defined the management as a job which takes care of planning, organizing, budgeting, coordinating and monitoring activities for organization (Kotter, group or 2001). Northouse defined the management as a process by which definite set objectives are achieved through the efficient use of resources (Northouse, 2007). Thus, Management in general is a process that is used to achieve organizational goals.

Certain conditions are important for creating good management, including:

- managers and team members need to be selected on merit;
- managers need to earn the respect of their staff, patients, and supervisors;
- managers need to have the knowledge,
   skills and understanding of the role, tasks
   and purpose of the services they deliver;
- basic support systems function well; clear staff administration rules and regulations; well planned and timely delivered supplies, equipment and drugs; clear and transparent fi nancial processes; and well planned and monitored activities.

Managers focus on formal directing and controlling of their assistants, resources, structures, and systems (Kotter, 2001). Managers aim to reach short term goals, avoid any risks, and establish standardization to improve efficiency (Kotterman, 2006). The employees follow a manager's direction in exchange for being paid a salary, known as a transactional style (Kotter, 2001). Research shows that being an effective manager depends upon three special skill sets: technical, human and conceptual. The technical skill refers to the proficiency in a specific type of work. This may include competencies within a specialized field, or the ability to use appropriate tools and techniques. Human skill refers to he ability to work with people, which allow a manager to assist group members to complete a task. Conceptual skill refers to the ability to work with ideas (Katz, 1955). In addition, an effective manager needs to have specific qualities like: good communication; organizational; negotiation; and delegation skills (Kappa, 1991).

### **LEADERSHIP**

Leadership is a complex, multidimensional phenomena (DePree, 1989). It has been defined as: a behaviour; a style; a skill; a process; a responsibility; an experience; a function of management; a position of authority; an influencing relationship; a characteristic; and an ability (Northouse, 2007). John Maxwell defined leadership by influence (Maxwell, 1998). Kotter (1990) stated that "Leadership is the capacity for collective action to vitalize". Robert Greenleaf

defined effective leadership as people who serve others, while they follow them (Bennis and Nanus, 1997). Moreover, Peter

Drucker defined a leader is someone who has followers (Drucker, 1999). However, some theorists believe that leadership is a form of the social influence processes (House and Aditya, 1997). Although there are a variety of leadership definitions, the majority of definitions focused on two components which are: the process of influencing a group of individuals to obtain a common goal; and to develop a vision.

Leaders focus on motivation, and inspiration (Kotter, 1990). Leaders aim to create passion to follow their vision, to reach long term goals, take risks to accomplish common goals, and challenge the current status quo (Bennis and Nanus, 1997).

The leader keeps an open eye on his followers' benefits, so people follow the leader voluntarily, and the leader directs the follower by using a transformational style (Bass, 1990). Leaders should have some critical qualities such as integrity; vision; toughness; decisive; trust; commitment; selflessness, creativity; risk taking; toughness; communication ability, and visibility (Capowski, 1994). Moreover, leaders should have charisma; a sense of mission; ability to influence people in a positive environment; and ability to solve problems (House, 1977).

In addition, research shows that being an effective leader depends upon common behaviours and characteristics like: confidence; service mentality; good coaching skills; reliability; expertise; responsibility; good listening skills;

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being visionary; realistic; good sense of priorities; honesty; willingness to share; strong self esteem; technical or contextual, and recognition (Bennis and Nanus, 1997).

### MANAGEMENT VS LEADERSHIP

Leadership and management overlap, but they are not the same(Kotterman, 2006).

Both leadership and management involve influence, working with people, and working to achieve common goals(The Guardian, 2013). However, the fields of leadership and management considered very different(Kotterman, 2006). Katz asserts that leadership is a multi-directional influence relation, while management is a unidirectional authority relationship (Katz, 1955).

In 1977, Abraham Zaleznik wrote the first scholarly and landmark article about the difference between leaders and managers (Zaleznik, 1977). Zaleznik mentioned that the organization needs both effective managers and effective leaders in order to reach its goals, but he argues that managers and leaders have contributions different (Zaleznik, 1977). Whereas leaders promoter change, approaches, and work to understand people's beliefs to gain their commitment, managers promoter stability, exercise authority, and work to get things accomplished. Therefore, management and leadership need different types of people(Zaleznik, 1977).

In 1983, Watson stated that managers take care of structure and system, but leaders

focus on the communication, motivation, and shared goals. In addition, Watson mentioned that 7S strategy which include; strategy, structure, systems, shared values, skills, and style; is more effective for leaders comparing to managers. In 1985, Bryman added that leadership is about strategic motivation. Bennis and Nannus (1985) briefly describe the differences between the leaders and managers in one sentence: "Leaders do the right things; managers do things right." (p. 33). Moreover, In 1989 Bennis stated that "To survive in the twenty-first century, we are going to need a new generation of leaders

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In 1987 John Kotter, a professor of the Harvard Business School states that leadership goes beyond routine tasks to cope with change, whereas management is a regular formal responsibility to cope with routine complexity(Kotter, 1987). Kotter argues that leadership is a process that aims to develop a vision for the organization; align people with that vision; and motivate people to action through the basic need fulfilment(Kotter, 1990).

Kotter stated that "Leadership is different from management, but not for the reason most people think. Leadership isn"t mystical and mysterious. It has nothing to do with having charisma or other exotic personality traits. It's not the province of a chosen few. Nor is leadership necessarily better than management or a replacement for it: rather, leadership and management are two distinctive and complementary activities. Both are necessary for success in an increasingly complex and volatile business environment (Kotter, 1990)." In contrast, the management is a process that aims to control organization's formal functions (Kotter, 2001).

Bernard Bass (1990) in his book "Bass and Stogdill's Handbook of Leadership" states that "Leaders manage and managers lead, but the two activities are not synonymous. Management functions can potentially provide leadership; leadership activities can contribute to managing. Nevertheless, some managers do not lead, and some leaders do not manage". (p. 383). Other researchers mention that the leader is inspiring, innovative, flexible, courageous and independent, and has a soul, the passion and the creativity. While the manager is deliberate, authoritative, consulting, analytical, and stabilizing, and has the rational, the mind, and the persistence (Capowski, 1994).In 1997, Robert House states that management consists of controlling daily problems, and implementing leader's vision (House, 1977).Furthermore, Warren Bennis a business professor at the University Southern California, (1997)sharps difference by using 12 paired contrasts listed

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in his book "Learning to Lead: A Workbook on Becoming a Leader", (p. 9).

In 2003, Covey stated that the leader believes in vision and goals, has strong values, and works to make sure that his attendants are in the right direction. Moreover, in 2004, Ylitalo said that managers focus on structural, tools. and work related processes. Nevertheless. leaders involved in the professional work, social and communicative aspects. In 2004, Hull and Ozeroff viewed leaders as good communicators because they spend more time with their followers. In addition, leaders are aware their team members professional strengths, weaknesses, emotional standings, their place in the organization which allow them to know how to motivate them. Gosling and Murphy (2004) think that the leaders work to make the organization ready to face any new change, and ensure the development of a sense of security. In 2007, Warren Bennis wrote that "Managers do things right, while leaders do the right things" (p. 12).

In summary, while management and leadership share similar roles, it is important to make a distinction between those two functions. The primary mission of both leaders and managers is to control and influence other people. The most important difference between managers and leaders is their approach to achieve the goals. Managers exercise their control through formal power, but leaders use their vision, and by inspiration, motivation to align their followers (The

Guardian, 2013). Balancing the role of both management and leadership are critical to the organization' ssuccess. Moreover, sometimes it is essential for managers to be successful to work as leaders (Mullins, 2010)

What is the difference between management and leadership? It is a question that has been asked more than once and also answered in different ways. The biggest difference between managers and leaders is the way they motivate the people who work or follow them, and this sets the tone for most other aspects of what they do.

Many people, by the way, are both. They have management jobs, but they realize that you cannot buy hearts, especially to follow them down a difficult path, and so act as leaders too.

# Managers have subordinates

By definition, managers have subordinates - unless their title is honorary and given as a mark of seniority, in which case the title is a misnomer and their power over others is other than formal authority.

## Authoritarian, transactional style

Managers have a position of authority vested in them by the company, and their subordinates work for them and largely do as they are told. Management style is transactional, in that the manager tells the subordinate what to do, and the subordinate does this not because they are a blind robot, but because they have been promised a reward (at minimum their salary) for doing so.

### Work focus

Managers are paid to get things done (they are subordinates too), often within tight constraints of time and money. They thus naturally pass on this work focus to their subordinates.

#### Seek comfort

An interesting research finding about managers is that they tend to come from stable home backgrounds and led relatively normal and comfortable lives. This leads them to be relatively risk-averse and they will seek to avoid conflict where possible. In terms of people, they generally like to run a 'happy ship'.

#### Leaders have followers

Leaders do not have subordinates - at least not when they are leading. Many organizational leaders do have subordinates, but only because they are also managers. But when they want to lead, they have to give up formal authoritarian control, because to lead is to have followers, and following is always a voluntary activity.

## Charismatic, transformational style

Telling people what to do does not inspire them to follow you. You have to appeal to them, showing how following you will lead them to their hearts' desire. They must want to follow you enough to stop what they are doing and perhaps walk into danger and situations that they would not normally consider risking.

Leaders with a stronger charisma find it easier to attract people to their cause. As a part

of their persuasion they typically promise transformational benefits, such that their followers will not just receive extrinsic rewards but will somehow become better people.

## People focus

Although many leaders have a charismatic style to some extent, this does not require a loud personality. They are always good with people, and quiet styles that give credit to others (and takes blame on themselves) are very effective at creating the loyalty that great leaders engender.

Although leaders are good with people, this does not mean they are friendly with them. In order to keep the mystique of leadership, they often retain a degree of separation and aloofness.

This does not mean that leaders do not pay attention to tasks - in fact they are often very achievement-focused. What they do realize, however, is the importance of enthusing others to work towards their vision.

#### Seek risk

In the same study that showed managers as risk-averse, leaders appeared as risk-seeking, although they are not blind thrill-seekers. When pursuing their vision, they consider it natural to encounter problems and hurdles that must be overcome along the way. They are thus comfortable with risk and will see routes that others avoid as potential opportunities for advantage and will happily break rules in order to get things done.

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A surprising number of these leaders had some form of handicap in their lives which they had to overcome. Some had traumatic childhoods, some had problems such as dyslexia, others were shorter than average. This perhaps taught them the independence of mind that is needed to go out on a limb and not worry about what others are thinking about you.

This table summarizes the above (and more) and gives a sense of the differences between being a leader and being a manager. This is, of course, an illustrative characterization, and there is a whole spectrum between either ends of these scales along which each role can range. And many people lead and manage at the same time, and so may display a combination of behaviors.

From my point view, I think that there are some individuals who have the capacity to fulfil the roles of both a leader and a manager. In my experience, leaders used to create the new changes, and managers used to apply them. However, new changes implantation is not easy, thus managers sometime resist to apply the new changes. In addition, I totally agree with those who ask for the balance between the manager's roles and the leader's roles, because it is vital to ensure the best outcomes. Moreover, I believe that leadership becomes a must in every organization, especially in the business world; to cope with

the rapid changes and different need for this century.

## Conclusion

Every organization needs managers and leaders, and their roles should be viewed as complementary to one another.

The optimal effectiveness ofan organization can only reach if the organization has strong leadership and strong management. In today's dynamic workplace, organizations need leaders to cope with new challenges, and transform organizations in order to achieve a competitive advantage in the marketplace. In addition, organizations need managers to maintain a smoothly functioning workplace, and to utilize resources effectively. Finally, a well balanced organization should have a mix leaders of and managers succeed to (Kotterman, 2006).

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