

2.3 Leadership and management



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2.3 LEADERSHIP AND MANAGEMENT: ASSESSMENT

Read the case study below and answer the questions that follow.

THE SITUATIONAL LEADER



Bryony Miller owns a small chain of four car dealerships in Wellington, New Zealand. Part of the business is selling cars, both new and secondhand. The other half provides servicing and repairs for customers. When she first started the business ten years ago, she had two employees doing repair work from a run-down garage in the very industrial city of Lower Hutt. Today, she has over 100 employees spread across four premium sites. Each site has a manager,

with a head of sales and a head of servicing and repairs underneath them.

Mrs. Miller sees herself as a leader but relies heavily on the four experienced site managers. They have day-to-day operational control of the business. She monitors their work and keeps a careful check on the performance of each site. Performance is checked against previous periods and site to site. Mrs. Miller can make hard decisions. For example, two years ago she sacked one site manager who had been in the post for just 18 months when his site consistently underperformed compared with the other sites in the group.

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This was a difficult decision, though, for Mrs. Miller. She sees herself as a 'people person', and believes strongly in teamworking. Employees are encouraged to develop their own capabilities with a heavy emphasis on staff training and empowerment. Workers are encouraged to make decisions for themselves. Occasionally mistakes are made mainly because of a lack of guidance, but Mrs. Miller believes firmly that this is an inevitable part of taking responsibility. A staff survey last year showed that over 90 per cent of staff felt 'motivated' at work.

Each week, she has a meeting with the four site managers, her 'board of directors' as she likes to call them. Everything to do with the running of the business is discussed at these meetings. Mrs. Miller expects her site managers to be frank and there can be major differences of opinion about how to develop the business. Ultimately, she must make the key decisions, but she always consults with others to hear what they have to say.

25 MARKS, 45 MINUTES

1. Outline the main features of the following leadership styles.
 - a. Autocratic leadership
 - b. Paternalistic leadership

[4 marks]
2. Distinguish between leadership and management.

[4 marks]
3. State the key functions of management.

[3 marks]
4. Outline **two** benefits **and two** limitations of the laissez-faire leadership style.

[4 marks]
5. Evaluate whether the leadership style adopted by Bryony Miller is best for her company.

[10 marks]