

6 leadership styles and the impact they have on your team

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Interested in improving your team? Self-awareness of the type of leader you are can be a great place to start. One's leadership style — the behaviors and actions used to motivate and direct others — influences outcomes such as morale, productivity, and engagement. Many effective leadership styles exist, and each approach has its strengths and weaknesses. For that reason, managers may benefit from adopting elements from different leadership styles based on the individuals involved and the outcomes desired.

“In order to foster relationships with others, a leader must be aware of how they present themselves as a leader AND how others prefer to be approached,” says Terry Traut, CEO of [Entelechy](#). “All too often, leaders can become entrenched in one particular way of conducting themselves and managing their team. Over time, this can manifest itself in an unhealthy relationship where the leader firmly believes their way of doing things is ‘right’ and any employee who doesn’t fall in line is ‘wrong.’”

Traut notes that such a mentality is particularly dangerous at the present time as organizations emerge from the COVID-19 global health crisis and face The Great Resignation. People are seeking employment opportunities that better align with their personal values and interests, and they want to feel fulfilled, respected, and included. Meeting the needs of workers can be the difference between a thriving staff and a retention problem.

Learning about common leadership styles does two things. First, it helps you identify what type of leader you are so that you better understand how you generally act and how employees respond to this type of behavior. Second, it offers food for thought on how adopting elements of other styles might assist in meeting the needs of your direct charges and obtaining better outcomes.

6 common leadership styles

Leadership studies conducted by social psychologist Kurt Lewin and colleagues in the 1930s identified the first three leadership styles described below (autocratic, democratic, and laissez-faire). Since then, other experts have presented a variety of other leadership theories. Which is most effective? No single definition of a great leader exists. The best leadership style is the one that works for you given your personality, company, industry, staff, and different situations encountered.

Autocratic leadership

When people think of a traditional boss-employee arrangement, autocratic leadership tends to come to mind. Also known as authoritarian leadership, this very hands-on style involves managers laying out what they expect their direct charges to do and employees following these directions. Communication and decisions come from the top-down, with minimal input from workers.

People who like clearly defined roles and tasks often thrive under an autocratic leader. Knowing exactly what management expects reduces the uncomfortableness of ambiguity. Likewise, employees do not bear the burden of figuring out priorities and making individual decisions. The resulting orderly, efficient work environment frequently operates like a well-oiled machine.

Inexperienced or new workers can especially benefit from an autocratic leader's vigilant supervision and consistent communication. Many specific industries also lend themselves to this style of leadership, such as healthcare, law enforcement, the military, and manufacturing. These fields rely on following set procedures for the sake of compliance and safety. Surgeons, for example, want each member of their staff to know exactly what role they individually play during an operation. Autocratic leadership can cut through potential chaos to get to what needs to be done and how.

Employees who prefer more of a voice in company matters and greater flexibility in how they do their own job may feel stifled under autocratic leadership. They may resent micromanagement, and an "us" vs. "them" division can occur between workers and management. Low morale and high turnover can result if team members do not feel a personal connection to the organization, its mission, and its decision-making process.

An autocratic leadership style requires a great deal of self-reliance, as it is up to the manager to come up with ideas and make decisions that affect others. Such responsibility can be stressful. It also can be detrimental to creative problem-solving and innovation. Left to their own devices, authoritarian leaders may miss out on hearing novel, out-of-the-box solutions that could truly benefit the company.

Democratic leadership

Limited input is definitely not a problem for democratic leaders. Rather, managers with a democratic leadership style encourage employees to share ideas and opinions. For this reason, "participative leadership" is another name for this type of leadership.

Working in a collaborative, participative environment can be good for employee engagement and job satisfaction. Employees often develop a strong connection to the company because they feel valued and important. The arrangement promotes genuine thought about the organization and its objectives, not just following directions.

Democratic leaders benefit from the wide variety of thoughts presented rather than relying solely on their own. Diverse perspectives promote innovation and creative problem-solving. However, seeking and evaluating input does take time. Businesses facing time constraints or industries requiring quick decision-making may find the democratic leadership approach too long.

Managers with a participative style of leadership may find themselves in tricky situations from time to time. Conflicting viewpoints can cause tension among team members, and an effective leader needs to mediate. Similarly, a worker may get upset when a final decision runs counter to his suggestion, and that can affect morale.

Also, the personalities and competencies of team members can influence the effectiveness of democratic leadership. Some employees do not particularly enjoy partaking in group discussions. They may feel uncomfortable and hold back. Others may lack sufficient experience or knowledge to offer viable suggestions, and this can waste time.

Laissez-faire leadership

The French term “laissez-faire” translates as “allow to do.” Managers using a laissez-faire leadership style delegate work to qualified team members and allow them to handle it as they see fit. The company still bears responsibility for providing the resources necessary to carry out assignments, but employees exercise a great deal of control over the what, where, when, and how.

Workers operating under a laissez-faire leader (also sometimes known as a delegative leader) experience a great deal of autonomy. They receive little supervision, and managers expect them to generally solve problems and make decisions on their own.

Many workers welcome this hands-off approach. They see it as an extension of trust and are motivated to do a good job. Seasoned and highly skilled employees may especially enjoy the chance to use their own resourcefulness and creativity. And, by empowering others, managers free up more of their own time for growing the business.

However, not all types of employees thrive under delegative leadership. Some lack the confidence or skill to handle things on their own, and they prefer greater direction. As might be expected, new hires sometimes feel uneasy with a laissez-faire style until they get up-to-speed in their new work environment.

Delegative managers also may not always be pleased with productivity or results. Some staff members need more of a watchful eye to stay on task and produce up to par work. Likewise, the boss may receive an assignment that is not in line with his preferences. Depending on deadlines, changes may or may not be able to be made. And, even if corrections are possible, doing so at an earlier stage would have wasted less time.

For some managers, being a laissez-faire leader feels uncomfortable. Giving others freedom and keeping one's hands off of delegated tasks can be scary when you ultimately are responsible for team performance. Offering periodic constructive feedback and a bit more guidance helps with uneasiness, especially until individuals have consistently proven their ability to go it alone.

Transformational leadership

The word “transformational” means to produce big changes or improvements. Managers with a transformational leadership style focus on the company's mission and growth. Because of this orientation, transformational leaders often get called visionary leaders.

Transformational leaders see the full potential ahead and inspire followers. Usually passionate and possessing emotional intelligence, they are good at motivating others to perform well to reach goals and move the

company forward. Team members buy into the visionary's outlook and trust the manager to guide the organization forward. This commitment may prove especially valuable to small businesses hoping to expand and to larger companies undergoing changes or restructuring.

Since transformational leaders often spend a great deal of time thinking about the next level of success, they delegate many short-term tasks. Some employees relish this opportunity to take on responsibilities without micromanagement.

Too strong of a "big picture" mindset, however, poses some potential pitfalls. Day-to-day details essential for current operations may fall through the cracks. And while building excitement for a bright future can increase morale, it also can damage it if team members get frustrated by not being given proper support in the here and now. Transformational leaders too invested in their visions run the risk of failing to listen to real concerns expressed by others. Similarly, team members may feel a need to buy into what their leader envisions rather than express personal qualms.

Transactional leadership

Managers utilizing a transactional leadership style view their relationship with workers as two sides involved in an exchange. The employer wants specific levels of output and offers a predetermined reward for accomplishment or penalty for failure. Because transactional leaders focus on managing the performance of the individual through incentives and discipline, another name for this style is managerial leadership.

As opposed to transformational leadership and its emphasis on the long-term, transactional leadership concentrates on results here and now. Employees are told what they need to do, how to do it, and what will happen when they achieve or fail. The organization clearly defines expectations in terms of quotas and other productivity benchmarks. Some workers like this practical, structured approach where everyone knows without ambiguity what "success" looks like.

Stable organizations looking for continued results under current conditions often use transactional leadership. Incentives, usually monetary in nature, keep workers striving for given benchmarks. The whole arrangement takes on a very practical feel and can be particularly effective for workplaces requiring repetitive tasks.

A lack of other forms of motivation, however, can make transactional leadership undesirable to workers whose job-related well-being depends on more than money. Employee creativity, innovation, input, and connection do not typically thrive in this hierarchical, performance-focused atmosphere.

Likewise, those enjoying teamwork may dislike the emphasis on individual results. In fact, the nature of the rewards system may actually pit colleagues against one another as each tries to gain a sufficient amount of leads, sales, or the like to claim their prize.

Coaching leadership

As the name suggests, this style requires taking on a leadership role that is part instructor and part cheerleader to develop workers who know what to do and possess the motivation to do it. Coaching leaders boost the skills sets and morale of the talent under them for better performance both now and in the future.

A coaching leadership style is sometimes compared to being a mentor. The manager offers guidance, support, and constructive feedback with the aim of helping a person or team reach their full potential. Such a leader balances imparting knowledge with letting charges discover things themselves to grow and gain confidence.

The success of coaching leadership often rests in developing trust. Managers must gain respect in order for workers to listen to their advice and take it seriously. The ability to communicate clearly also must be a top leadership skill. Employees need to understand what you are teaching and how they can implement your

instruction.

A chief drawback of a coaching leadership style is its time-intensive nature. It can be challenging to regularly devote attention to evaluating the strengths, weaknesses, and motivators of individuals and teams while keeping up with routine office operations. Also, not every employee wants a coach. Some prefer a more straightforward style with tasks laid out and managers stepping in during trying times rather than offering learning opportunities.