



## Leadership versus Management

*Leadership and management may complement each other, but they are very different*

by [Andrew Cooke](#), [Blue Sky GPS](#)

Most people use the words "management" and "leadership" interchangeably and usually only distinguish between the two by where the person is in the organizational hierarchy. Here you have 'leaders' at the top, 'managers' in the middle, and 'labor' at the bottom. Simple, but wrong! There are significant differences between management and leadership, their areas of focus, what they do, how they do it, and their implications

A business needs to have *both* effective managers and effective leaders; it cannot operate without one of them. Leadership and management are different roles, not different people. As such, all leaders are managers but not all managers are leaders. Let me explain further.

There are many in management positions – those who control or administer part of the business who have a title such as "manager", or "supervisor" or "director" – who have the necessary management skills (for example, being able to plan, schedule time effectively, manage budgets etcetera). But titles do not make leaders. To be a leader you need to have people who will willingly following you. This has two implications:

- If no one is following you then you are just a manager.
- You can have no formal title or authority but, because people follow you, you can be a leader.

As such, leadership is not a noun, it is a verb. But leadership is not just about having followers, and management is not just about control – there are differences that collectively make management and leadership very different but complementary. Kotter concisely defines management and leadership as the following:

*"In fact, management is a set of well-known processes, like planning, budgeting, structuring jobs, staffing jobs, measuring performance and problem-solving, which help an organization*



*to predictably do what it knows how to do well. Management helps you to produce products and services as you have promised, of consistent quality, on budget, day after day, week after week. In organizations of any size and complexity, this is an enormously difficult task. We constantly underestimate how complex this task really is, especially if we are not in senior management jobs. So, management is crucial — but it's not leadership.*

*Leadership is entirely different. It is associated with taking an organization into the future, finding opportunities that are coming at it faster and faster and successfully exploiting those opportunities. Leadership is about vision, about people buying in, about empowerment and, most of all, about producing useful change. Leadership is not about attributes, it's about behavior. And in an ever-faster-moving world, leadership is increasingly needed from more and more people, no matter where they are in a hierarchy. The notion that a few extraordinary people at the top can provide all the leadership needed today is ridiculous and it's a recipe for failure."***[1]**

The essence in the difference between management and leadership can be summarised in one sentence: Management is about coping with Complexity; Leadership is about coping with Change. As such, Management is about Resources, Leadership is about People. Let's explore this further in the table below which highlights some of the key differences.

**Key Differences between Management and Leadership**

<b>Management</b>	<b>Leadership</b>
Doing things right...	Doing the right things...
Efficiency	Effectiveness
Transactional	Transformational
Speed	Direction
Practices	Principles
Things	People
Manage complexity	Manage change
Drive stability, efficiency and order	Drive innovation, adaptability and change
Task-focused	People-focused
Operational role	Situational role
Content is important	Context is important



As you can see from this list there is a tension between management and leadership which, if you achieve the right balance between the two, can be highly productive and beneficial. However, if you have management with weak leadership, or leadership with weak management you will have an imbalance. We explore this in the next email when we look at the Leadership/Management Matrix tool.

### **About Andrew Cooke and Blue Sky GPS (Growth & Profit Solutions)**

#### **Andrew Cooke**

*An experienced executive coach, business facilitator, and management consultant Andrew has more than 25 years' national and international experience, working across a range of industries and businesses. He is passionate in helping people, teams and companies to unlock their individual and collective potential, enabling them to achieve their personal and business goals and, in turn, to help them unlock the potential of others.*

*Andrew has extensive experience in dealing with both blue-chip and start-up companies, and has had extensive international experience in the UK, the Middle East and Ireland across a range of industries.*

*He has post-graduate business qualifications with a Master's in Business Administration (MBA) from the London Business School. He is an accredited associate coach for Marshall Goldsmith Stakeholder Centered Coaching in coaching executives and leaders.*

#### **Blue Sky GPS (Growth & Profit Solutions)**

Andrew runs [Blue Sky GPS \(Growth & Profit Solutions\)](http://www.business-gps.com.au), working with individuals, teams, groups and corporate so they can unlock their potential, that of others, and create a life and a job they love and choose to lead.

*Through customized development programmes using experiential learning, backed by group workshops, individual one-to-one coaching and on-going support the individual and group development needs are addressed, the skills and capabilities are unlocked and the people can grow and achieve both personal and business outcomes on a sustainable basis. His blog, Growth and Profit, can be found at <http://growthandprofit.me>.*

To find out more about this visit the [Blue Sky GPS website](http://www.business-gps.com.au) or contact Andrew at [andrew.cooke@business-gps.com.au](mailto:andrew.cooke@business-gps.com.au) or on +61 (0)401 842 673.