6.1 Transformational Leadership Style in New Work

Leadership is defined as the way of motivating and directing a group of people to jointly work towards achieving common goals and objectives (Helmold & Samara, 2019; Fatma, 2015). The leader is the person in the group that possesses the combination of personality and leadership skills that makes others want to follow his or her direction. Leadership implies formal and informal power distribution. The Tannenbaum–Schmidt Leadership Continuum is a model showing the relationship between the level of authority you use as a leader and the freedom this allows your team (Tannenbaum & Schmidt, 2009). At one end of the continuum are managers who simply tell their employees what to do. At the other end of the continuum are managers who are completely hands off. As you move from one end of the continuum to the other, the level of freedom you give your team will increase and your use of authority will decrease. Most managers and leaders will lie somewhere in the middle between these two extremes. The Leadership Continuum was developed by Robert Tannenbaum and Warren Schmidt in their 1958 Harvard Business Review (HBR) article: “How to Choose a Leadership Pattern”. Tannenbaum was an organizational psychologist and Professor at the UCLA Anderson School of Management. Schmidt was also a psychologist who taught at the UCLA Anderson School of Management. Most leadership models ringfence a leadership style and analyse it in isolation from other leadership styles. However, in practice, a single leadership style is not appropriate for all situations. Sometimes you might want to borrow elements
of another leadership style to use with an individual within your team. Other times you might completely change your style if the situation requires it. Tannenbaum and Schmidt argued that there are certain questions to be considered when selecting a leadership style (Figs. 6.1 and 6.2):

- What is your preferred style?
- What are your values?
- What is your relationship with your team?
- Are they ready and enthusiastic to take responsibility?
- How important is the work being undertaken?
- How important or tight are deadlines?
- What is the organizational culture?

### 6.1.1 Tells

The leader that tells is an authoritarian leader. They tell their team what to do and expect them to do the work and job. This style is useful when you urgently need to turn around a department or business, and also in situations where deadlines are critical. However, this extreme style can be frustrating for experienced subordinates as it takes no account of team members welfare. Because of this, make sure you only use this style when the situation calls for it.

### 6.1.2 Sells

The leader that sells makes their decision and then explains the logic behind the decision to their team. The leader isn’t looking for team input, but they are looking...
to ensure the team understands the rationale behind the decision. A key aspect of this approach is for the leader to explain how the decision will benefit the team. In this way, the team will see the manager as recognizing their importance.

6.1.3 Suggests

The leader that suggests makes their decision, explains the logic behind the decision and then asks team members if they have any questions.

Through asking questions, the team can more fully understand the rationale behind the decision than the previous approaches. The leader isn’t going to change their decision but they do want the team to fully understand the rationale behind it.

6.1.4 Consults

The leader that consults presents their provisional decision to their team and invites comments, suggestions, and opinions. This is the first point on the continuum where the team’s opinion can influence or even change the decision. The leader is still in control and the ultimate decision maker, but open to any good ideas the team may
have. With this style, the team feels they can influence the decision-making process. Once the leader has finished consulting with their team, their decision is finalized.

### 6.1.5 Joins

The leader who joins presents the problem to their team and then works with the team in a collaborative manner to make the decision as to how the problem is going to be solved. This point on the continuum differs from the previous four, as it is the first point the leader isn’t presenting their decision. Instead, they are simply presenting the problem to be solved. This obviously will require plenty of input from the team, making this approach suitable when the team is very experienced or has specialist knowledge. Because this style involves greater input and influence from the team it can lead to enhanced feelings of motivation and freedom.

### 6.1.6 Delegates

The leader that delegates asks their team to make the decision, within limits that the leader sets.

Although the team makes the decision, it is still the leader that is accountable for the outcome of the decision. It might seem very risky to let your team make a decision even though you’ll be held accountable for the outcome. However, you can limit the risk by specifying constraints.

You should use this style only with very experienced teams.

### 6.1.7 Abdicates

The leader who abdicates lets the team decide what problems to solve and how to solve them.

Abdication is the total opposite of telling the team what to do using an autocratic style. Here the team must shape and identify the problem, analyse all the options available, before making a decision as to how to proceed. They will then implement the course of action without necessarily even running it by the leader. This style can be the most motivating but can be disastrous if it goes wrong. Because of this, you should only use this approach with very experienced and senior people. This style is often the way the executive boards of companies will run. Under the CEO, each of the division heads will have complete autonomy as to how they choose to execute the company’s strategy.
6.2 Empowerment and Jidoka

Empowerment and Jidoka are key success factors in the New Work culture (Helmold 2020). Teams and individuals must be empowered by their leadership and management. A team is defined as group of people with common goals. A work or project team is a group of persons who are grouped according to process and/or geographical location who support each other. In the lean concept, it is important to empower teams as shown in Fig. 6.3. Whereas the conventional approach focuses on top down decisions, the empowerment-focused approach utilizes the creativity and input from the team. Ideas are generated and collected from the team members, who independently decide which options to implement. The basis of this concept is that empowerment will promote ideas, creativity and innovations from all team or project members. Employee empowerment, organizational and cultural changes starts with a top management who is willing to entrust employees with decisions regarding their work. When it comes to production, many modern companies still operate as they did in the early twentieth century, where the production employees, are merely the workers.

The Lean concept of empowerment and stopping production to fix a production problem is called Jidoka, which means “getting it right the first time” rather than passing it on to the customer (next work station). Jidoka is a prime example of the Lean philosophy of “Quality at the Source” which emphasizes that every production worker (and supplier) is responsible and empowered for providing quality material to their customer.

![Fig. 6.3 Empowerment focused versus conventional approach. (Source: Author’s source)](image-url)
6.3 Leadership Styles According to Blake and Mouton

6.3.1 Leadership Must Involve People

The managerial grid model (1964) is a style leadership model developed by Robert R. Blake and Jane Mouton. This model originally identified five different leadership styles based on the concern for people and the concern for production (Blake & Mouton, 1964). The optimal leadership style in this model is based on Theory Y. The grid theory has continued to evolve and develop. The theory was updated with two additional leadership styles and with a new element, resilience. The Blake Mouton Managerial Grid is based on two behavioural dimensions:

- Concern for People: this is the degree to which a leader considers team members’ needs, interests and areas of personal development when deciding how best to accomplish a task.
- Concern for Results: this is the degree to which a leader emphasizes concrete objectives, organizational efficiency and high productivity when deciding how best to accomplish a task. Blake and Mouton defined five leadership styles based on these, as illustrated in the diagram below.

The model is represented as a grid with concern for production as the x-axis and concern for people as the y-axis; each axis ranges from 1 (Low) to 9 (High).

6.3.1.1 Impoverished Management—Low Results/Low People

The Impoverished or “indifferent” manager is mostly ineffective. With a low regard for creating systems that get the job done, and with little interest in creating a satisfying or motivating team environment, his results are inevitably disorganization, dissatisfaction and disharmony.

6.3.1.2 Produce-or-Perish Management—High Results/Low People

Also known as “authoritarian” or “authority-compliance” managers, people in this category believe that their team members are simply a means to an end. The team’s needs are always secondary to its productivity. This type of manager is autocratic, has strict work rules, policies and procedures, and can view punishment as an effective way of motivating team members. This approach can drive impressive production results at first, but low team morale and motivation will ultimately affect people’s performance, and this type of leader will struggle to retain high performers.

6.3.1.3 Middle-of-the-Road Management—Medium Results/ Medium People

A Middle-of-the-Road or “status quo” manager tries to balance results and people, but this strategy is not as effective as it may sound. Through continual compromise, he fails to inspire high performance and also fails to meet people’s needs fully. The result is that his team will likely deliver only mediocre performance.
6.3.1.4 Country Club Management—High People/Low Results

The Country Club or “accommodating” style of manager is most concerned about her team members’ needs and feelings. She assumes that, as long as they are happy and secure, they will work hard.

What tends to be the result is a work environment that is very relaxed and fun, but where productivity suffers because there is a lack of direction and control (Fig. 6.4).

According to the Blake Mouton model, Team management is the most effective leadership style. It reflects a leader who is passionate about his work and who does the best he can for the people he works with. This applies also to New Work models. Team or “sound” managers commit to their organization’s goals and mission, motivate the people who report to them, and work hard to get people to stretch themselves to deliver great results. But, at the same time, they’re inspiring figures who look after their teams. Someone led by a Team manager feels respected and empowered, and is committed to achieving her goals. Team managers prioritize both the organization’s production needs and their people’s needs. They do this by making sure that their team members understand the organization’s purpose, and by involving them in determining production needs. When people are committed to, and have a stake in, the organization’s success, their needs and production needs coincide. This creates an environment based on trust and respect, which leads to high satisfaction, motivation and excellent results (Blake & Mouton, 1985).

The grid theory breaks behaviour down into seven key elements as shown in Table 6.1:

![Diagram of Leadership Styles and Grid according to Blake and Mouton](source)

**Fig. 6.4** Leadership styles and Grid according to Blake and Mouton. (Source: Author’s Source)
6.4 Autonomous Work Groups

Similar to an individual with autonomy at work, an autonomous work group is a team of employees granted autonomy or independence over the work they do within an organization. Autonomy is simply a form of independence that gives each group the latitude to be creative in their own way. Autonomous work requires a specific form of transformational leadership, in which the superiors grant self-governing opportunities to their staff.

6.5 Virtual Teams and Groups

Similar to an individual with autonomy at the same physical work place, there are virtual autonomous work group or teams in different locations (Lindner, 2020). These teams are geographically separated, often in different time zones, and work jointly on certain projects. Virtual Work Teams require specific leadership styles of trust, support and empathy (Lindner, 2020).

6.6 Job Rotation

Job Rotation is a management approach where employees are shifted between two or more assignments or jobs at regular intervals of time in order to expose them to all verticals of an organization. The process serves the purpose of both the management and the employees. Advantages and disadvantages of Job Rotation are:

Advantages of Job Rotation

- Reduces the monotony of work.
- Broadens one’s knowledge and skills.
- Helps the management to explore the hidden talent of an individual.
- Helps an individual to realize his own interest.
• Helps in creating the right employee job fit.
• Developing a wider range of experience.

**Disadvantages of Job Rotation**
• Reduces uniformity of work.
• Fear of performing another task effectively.
• Frequent interruptions in the work.
• Misunderstanding between the team members or union.
• Difficulty in coping with other team members.
• Fear of getting more tedious or a hectic work.

The job rotation is beneficial for both the employer and the employee. The employer can identify the vertical where the employee is giving his best and can also place him in the position of a person who has left because of the retirement, transfer, termination or any other reason.

### 6.7 Job Enlargement, Job Enrichment and Empowerment

Job enlargement is an increase in job tasks and responsibilities to make a position more challenging. It is a horizontal expansion, which means that the tasks added are at the same level as those in the current position. The Job Enrichment is the job design technique used to increase the satisfaction among the employees by delegating higher authority and responsibility to them and thereby enabling them to use their abilities to the fullest. Job enrichment will affect motivation more, as the quality of work will enrich the employee. Job empowerment describes strategies and measures that are intended to increase the degree of autonomy and self-determination in the lives of people or communities and enable them to represent their interests independently, independently and independently (Fig. 6.5).

### 6.8 Case Study: BMW Quality Through Job Rotation

The BMW Group has more than 92,000 worldwide and centres them inside the middle of the corporate strategy. The human resource policy of the Munich Automakers is firmly integrated in corporate policy and affects all strategic or structural decisions. Since 1983 BMW has been practicing an employee-oriented personnel policy. Present and future employees are not only a cost factor, but a success factor for achieving long-term sustainable competitive advantages (BMW XE "Bayerische Motorenwerke (BMW)" , 2019). BMW introduced not only flexible working time models, but also created new work structure with more freedom, thus using the employees in an optimal way. This way, the company left the traditional way and methods of the division of labour towards integrated working structures. Integration means in this context, that project tasks and all processes are defined, divided and fulfilled. This is done by leaving the traditional way of specialized functions and departments to a cross-functional project team, in which project teams are
responsible for achieving the overall project results. For this change in human resources, it is mandatory to train not only hard skills (technical knowledge etc.), but also soft and social skills (team skills, leadership, etc.). The acquisition of such new skills provides some variety and enrichment in the daily work and provides for each individual personal development opportunities, so that job rotation is possible. The application shows numerous exchange experiences and insights into a large range of work processes and jobs (BMW XE "Bayerische Motorenwerke (BMW)", 2019). BMW implemented this practice with the example of Mr. Kroneder, previously a trainer in the field of electronics, who rotated his job with Mr. Hillerbrand, a maintenance engineer for electronics, in the vehicle final assembly. The aim of this job rotation program is to create a new, fully qualified technical trainer with assembly line experience, to apply the knowledge at the shop floor and to promote worker development at the assembly line. This job rotation was executed for a period of 6 months. Because the exchange between production and training is very positive, reinforces the plan to train two instructors annually between 6 months and a whole year to offer this opportunity. (BMW XE "Bayerische Motorenwerke (BMW)", 2019). Figure 6.6 shows the production in the motorbike factory of BMW in Berlin Spandau.
Fig. 6.6  BMW production. (Source: Author’s Source)

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