



## Leadership vs. Management II

Last week's newsletter article dealt with the difference between management and leadership. In summary the definitions were the following. The role of management deals with planning, budgeting, organizing, controlling, and staffing. The role of leadership deals with establishing direction, developing people, motivating, and inspiring. As I mentioned last week, the topic of leadership is arguably the most published topic in business literature. Let's consider additional views on the topic from two thought leaders in the industry.

"Managers are efficient; leaders are effective." Peter Drucker has been at the forefront of management literature for over 50 years. He is considered the father of modern management. His simple quote reveals a marked distinction between the roles of management and leadership. He considers management's primary responsibility deals with efficiency. For Drucker efficiency deals primarily with task orientation. Efficiency deals with numbers, time, resource utilization, and task processes in general. Efficiency is calculated. It is ratios, charts, percentages, financial reports, etc. Successful management tasks are on time, on budget, and meet specified requirements. Drucker's view of effectiveness deals with the ability to create impact in an organization, on a team, and at the individual level. Effectiveness is not based on calculations; it is based on overall contribution. Effective leaders are not focused on today's problems; they are focused on tomorrow's opportunities. While efficiency focuses on tasks, effectiveness focuses on organizational impact.

"Managers do things right; leaders do the right thing." Warren Bennis is one of the most published authors on the topic of leadership. Bennis also uses a simple quote to make his distinction between management and leadership. Once again the role of management deals with a task orientation: doing things right. Bennis's view is that the role of management focuses on the details of the business. Managers make decisions about choices involving data points. Leaders, on the other hand, must make decisions about direction. Managers think incrementally, while leaders think radically. Managers do things by the book and follow company policy, while leaders follow their own intuition, which is intended to benefit the company. A leader's decisions may appear to be more emotional than a manager's decisions.

**SUMMARY:** Management and leadership focus on different aspects of business and performance. Peter Drucker and Warren Bennis, leading thinkers in the field on management and leadership, agree that the role of manager focuses on task oriented items while leadership deals primarily with people elements, both at a personal and organizational level.

### MAKING PROGRESS, MANAGING CHANGE

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