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Module 6: Five Leadership Styles to Influence a Team

Great leaders bring out the best in their teams. They inspire people to action, boost group cohesion, and cultivate an environment of consistent, high-quality performance.

But no two teams or situations are the same. So, how do these leaders do it? The secret lies in the strategy. Accomplished leaders are skilled at switching between styles—knowing when to intervene, when to motivate, and when to let go of the reins.

In this module, you'll first learn what a leadership style is. Then, you'll discover five common leadership styles. Finally, you'll determine how to choose among and implement your chosen style—or styles.

Click on the first lesson below—or the “*Start eLearning*” button above—when you're ready to begin.



An Overview of Leadership Styles



Laissez-Faire Leadership



Autocratic Leadership



Democratic Leadership



Transactional Leadership



Transformational Leadership

SUMMARY



Key Takeaways



Knowledge Check



Module 6: Completed

An Overview of Leadership Styles



"The key to successful leadership today is influence, not authority." —Ken Blanchard.

How Will You Lead?

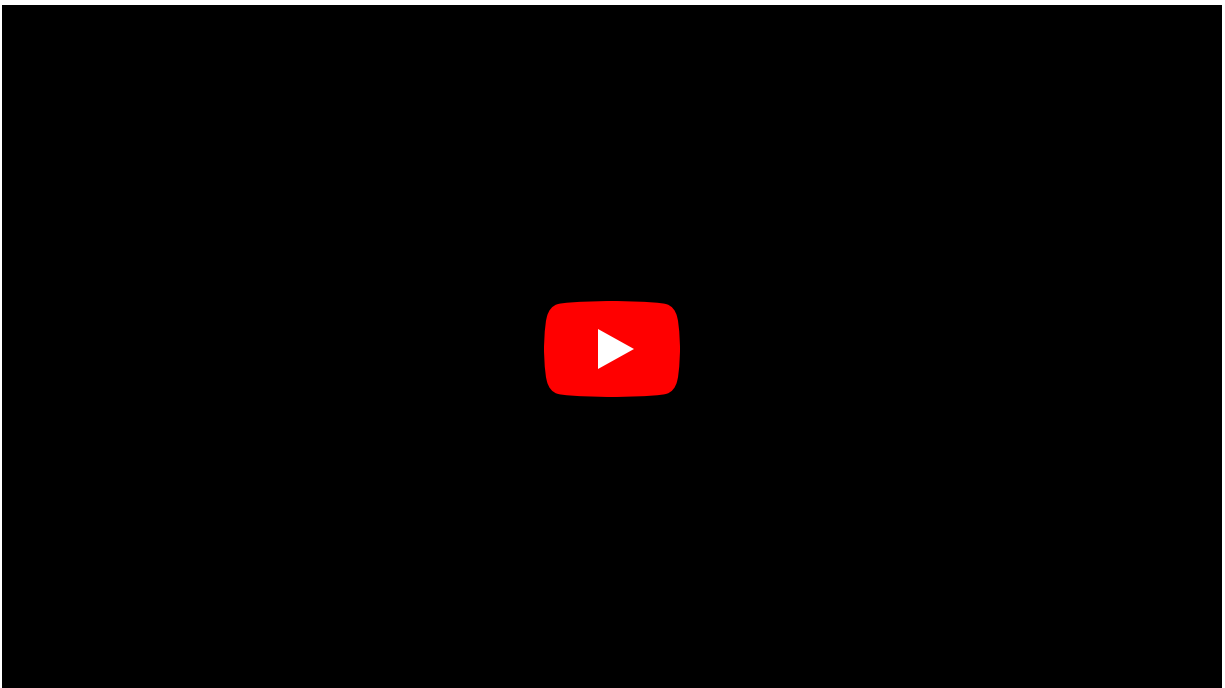
The greatest leaders push their teams to new heights. They seize opportunities with a clear focus, inspire confidence and trust from their employees, and adopt a management style that's tailored to their team, goals, and company environment.

“Leadership is not about a title or a designation. It’s about impact, influence, and inspiration.”

Robin S. Sharma

But how do you choose the best leadership style for your team? In this module, you’ll learn how to use five of the most popular leadership styles. Before diving into each style, let’s unpack what a leadership style is and outline which five we’ll cover in this module.

 **YOUTUBE**



5 Leadership Styles to Boost Performance

Watch the video to learn what a leadership style is and which five styles are most common.

VIEW ON YOUTUBE >

What Is a Leadership Style?

A leadership style is a method for directing, motivating, and guiding others. Unlike traits, styles can change. Flip the cards below to learn more.

Trait

A trait is a characteristic that belongs to a person. A leader's traits are usually *fixed* and unchanging.

For example, some leaders may have more extroverted, optimistic, or charismatic traits. Regardless of the situation, those traits are

Style

A style is a *way* of doing something. Styles are techniques—which you can switch up and use as needed.

For example, as leaders learn about and master more styles, they can choose among them depending on the situation.

I UNDERSTAND



Styles are like clothing. Just as you can switch between formal and casual wear, you can switch between assertive and relaxed leadership styles.

5 Common Leadership Styles

Depending on the occasion, some styles are more appropriate than others. So, the more options you have, the more prepared you'll be for a variety of circumstances.

In this module, we'll focus on five of the best-known and most widely implemented leadership styles. Expand the rows below for an overview of each.

Laissez Faire —

Laissez-faire leadership is a hands-off approach. Those who follow this strategy give their teams complete freedom to set their own timelines, workflows, and policies.

This style leads to higher job satisfaction and creativity—but it also demands accountability. For this style to work, employees must be self-directed, high performers.

Autocratic —

Autocratic leaders have complete managerial control. They make decisions independently, maintain authority over a team's operations, and rarely ask for input.

This style is a smart choice if you're facing a crisis, tight deadline, or general team disorder. Used consistently, however, an autocratic approach can lower morale and create a climate of fear and hostility.

Democratic —

Democratic leadership encourages everyone's input. While you'll still have the final say in a decision, you'll give your employees the opportunity to contribute and voice their opinions.

A democratic approach can strengthen team relationships and help you develop creative solutions for complex problems. But this approach can be ineffective if your team is disorganised or you need to act quickly.

Transactional —

Transactional leadership is often referred to as a carrot-and-stick style. An exchange-based framework, this strategy rewards good performance (carrot) and reprimands poor performance (stick).

In the short term, transactional leadership is great for getting your team to complete a series of immediate tasks. However, the framework doesn't cultivate much creativity or innovation.

Transformational —

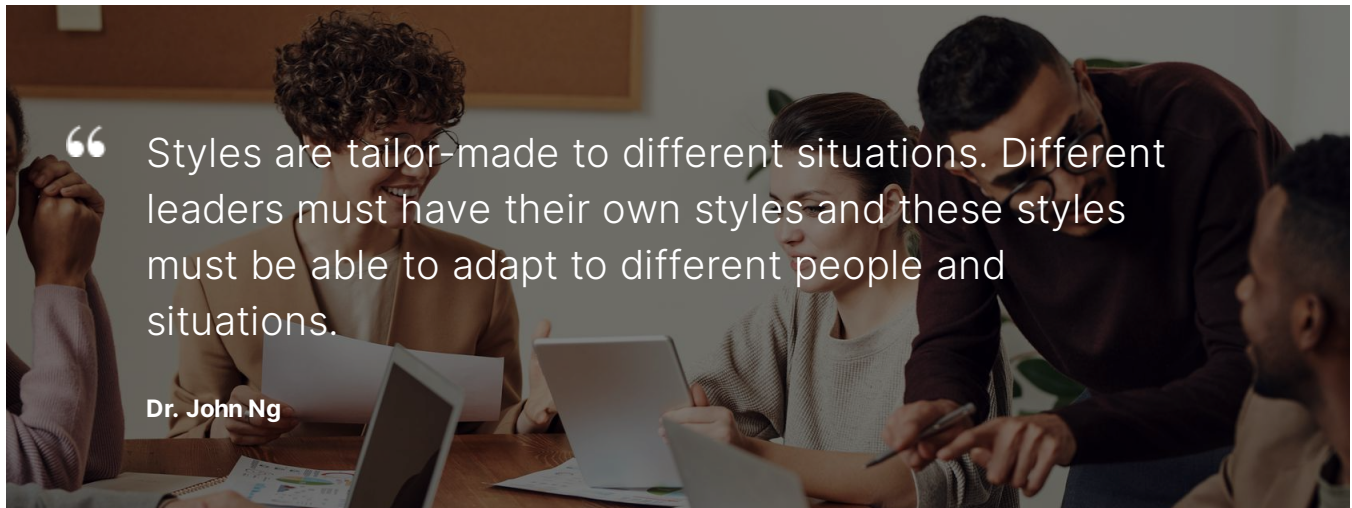
Transformational leadership is a motivation-based and future-conscious approach. An emotionally driven style, transformational leadership relies on an enthusiastic, charismatic leader to urge teams to exceed expectations and think outside the box.

This style works best when encouraging productivity, innovation, and team engagement. But this style can frustrate those who require a more detail-oriented structure. It also may lead to risky decisions or burnout over the long term.

When Each Style Works Best

After reviewing the list above, you likely already have one or two “go-to” styles. But no one style fits all. Depending on your goals, team capability, workplace environment, and time constraints, some approaches will work better than others.

Great leaders have more than one style in their toolkit. Rather than locking themselves into a mould or saying, *“This is how I do things,”* they evaluate the situation before them and choose the best tool for their team—no matter their personal preference.



“ Styles are tailor-made to different situations. Different leaders must have their own styles and these styles must be able to adapt to different people and situations.

Dr. John Ng

Take advantage of all five frameworks, and you'll be better equipped to manage your organisation, your team, and the task at hand. Let's start with the laissez-faire approach.



Complete the content above before moving on.

Laissez-Faire Leadership



Let It Go

You're kicking off a new project and leading a group of dedicated top performers. The vision, direction, and wide-reaching goals are set. Your team knows what to do, and it's time to develop a road map. Who takes the reins?

If your instinct is to tell the group, *"Do what you want—as long as you get the job done,"* then you've chosen a laissez-faire approach. A style based on trust, autonomy, and freedom, it can either benefit or hinder an initiative depending on your team, industry, and setting.

In this lesson, you'll learn what laissez-faire leadership is—including its features, benefits, and drawbacks. Then, you'll learn when this style works best and how to use it.





What is Laissez-Faire Leadership?

Watch the video to learn about laissez-faire leadership—including the pros and cons associated with this approach, when the style works best, and what it takes to be an effective laissez-faire leader.

VIEW ON YOUTUBE >

What Is Laissez-Faire Leadership?

Laissez-faire leadership—also known as **delegative** leadership—is a hands-off managerial style. Derived from the French phrase for “*let them do*,” it’s a framework based on minimal overhead and team autonomy.

When following this framework, leaders communicate a vision or long-term goal and then transfer all remaining decision-making power to their employees.



Leaders who follow this style believe people perform best when left alone. These managers delegate authority and trust their team to get the work done.

Features of Laissez-Faire Leadership

Laissez-faire leaders can check off the following boxes—each representing a key feature of the *“let them be”* approach:

☐

Relaxed policies. You have no strict policies or procedures. Employees can complete their responsibilities however they see fit.

☐

Minimal interference. Leaders rarely get involved in day-to-day operations. After goals are communicated, managers take a step back and stay out of the way—giving their team the power to perform how they wish.

☐

Independent problem-solving. People who work for laissez-faire leaders are expected to spot upcoming problems and come up with their own solutions.

☐

Decision-making freedom. Employees can make their own choices. They'll create their own processes and set their own deadlines. And, while they're free to consult with one another, they're not required to check-in before capitalising on opportunities or taking action.



Flipping traditional power dynamics on the head, laissez-faire leaders transfer control to their teams. These supervisors don't micromanage, interfere, or require staff to check-in. They give their teams the tools and resources they need to succeed, and they let go of the reins.

The Benefits and Drawbacks of Laissez-Faire Leadership

Like any other leadership style, the laissez-faire framework comes with both benefits and drawbacks. Expand the rows below to learn more.

The Benefits —

When used in the right settings with the right team, a laissez-faire style can lead to:

1. Faster decision-making. After coming up with an action plan, subordinates are free to move ahead with implementation—they don't need to hold meetings, gather second opinions, or receive approval first. And with fewer hoops to jump through, employees can make decisions quicker and accomplish more in less time.

2. Job satisfaction. The freedom and independence that accompanies a laissez-faire style can lead to a happier workforce. Employees are free to set their own goals, processes, and timelines. The pressure that often accompanies a controlling leader is removed. And staff can work however they're most comfortable.

3. Creativity and innovation. Rather than operating under a singular vision, employees are given the space to think critically and come up with their own solutions. Under that structure, creativity flourishes. Staff members can implement their own unique strategies, and that encourages innovation and out-of-the-box thinking.

The Drawbacks —

When used in the wrong setting, a laissez-faire style can lead to more problems than it solves. Some of the most prevalent drawbacks include:

1. Missed deadlines. Just as the laissez-faire style can elevate productivity, it can also hinder performance when used with the wrong team. For those who struggle with self-discipline and time management, a lack of structure does more harm than good. Those who need regular guidance will find it difficult to work independently and stay on track.

2. Poor performance. People who require clear directions and monitoring will not fare well under a laissez-faire leader. If your team is inexperienced or low-skilled, a lack of guidance can lead to poor decisions and faulty work.

3. Low accountability. With little direction and minimal overhead, staff members may question where their responsibilities begin and end. And, when faced with a crisis or reviewing a past problem, teams may use those ill-defined roles as an excuse to avoid taking responsibility.

When the Laissez-Faire Style Works Best

So, how can you promote the benefits and mitigate the drawbacks of a laissez-faire style? The answer comes down to your environment, goals, and team's capability.

Move through the interaction below to learn what situations are most suited to a laissez-faire style:

Situation 1

Your Team Is Skilled at Self-Management

If your employees are self-starters with high intrinsic motivation, a laissez-faire style can produce excellent results.

For this style to work, employees shouldn't require ongoing monitoring to stay on track—nor should they need external incentives or rewards to perform at their best. Teams working under a laissez-faire leader must be driven to succeed on their own.

Situation 2

Your Team Is Highly Knowledgeable

A laissez-faire style is particularly effective when you're working with knowledgeable experts.

In these scenarios, team members may be more informed than their leaders. And so, to achieve the best results, employees should have the freedom to work how they see fit.

Situation 3

You Work in a Creative Environment

To inspire the most creative and innovative thinking, you must give group members the time and space to collect their thoughts.

By giving up control, you allow employees to stretch their wings and experiment, which can bring about more innovative breakthroughs.

Tip: If your team needs to follow an exact system or technical strategy, steer away from a laissez-faire approach. In such cases, a more authoritative style is often appropriate.

Situation 4

You Work at a Fast-Moving Company

If rapid decisions must be made frequently, the autonomy that comes with a laissez-faire style can free up that process. That's especially true if projects have many moving parts and leaders can't be everywhere at once.

In fast-paced markets, your team will benefit from being able to pivot quickly and make decisions without a bottlenecked approval process.

CONTINUE

Being an Effective Laissez-Faire Leader

If you've decided to use the laissez-faire approach, make sure you know what it takes to lead effectively. Even though this framework is a self-rule style with minimal interference, you still can't leave your team stranded.

Power might be transferred, but the responsibility still rests in your hands.

To lead effectively, take on a supportive role with the following strategies:

1

Set up your team for success. Before stepping aside, get your team started on the right foot. Set them up for success by giving them the resources, training, and information they need to move your company forward.

2

Monitor performance. Once your employees have the appropriate tools to get started, step back and monitor their performance from a distance.

3

Be a mentor. Keep an eye on your team's progress and give employees regular feedback. Act as a mentor and create an environment where your team can learn and grow.

4

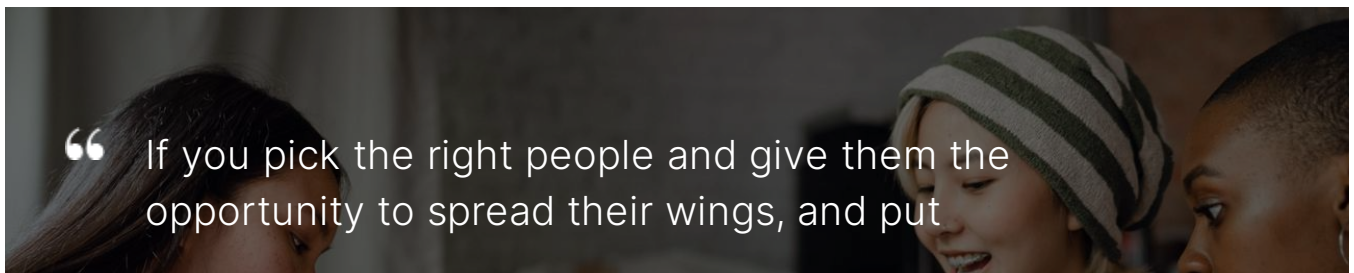
Communicate a willingness to help. If your employees encounter a problem, give them the freedom to unravel the issue on their own, but also communicate that you're there to help.

5

Be ready to step in. If you find that your team lacks the necessary skills, training, and initiative to manage themselves, you must be ready to step in.

“

If you pick the right people and give them the opportunity to spread their wings, and put



compensation as a carrier behind it, you almost don't have to manage them.

Jack Welch



Check your understanding by answering the question below...

You're working with a high-performing team of experts. You've chosen to use the laissez-faire style, but you notice that the group is making a series of potentially dangerous mistakes.

As a laissez-faire leader, what can you do?



Per the laissez-faire style, I trust that they'll find a solution in their own time. So, I'll give my team

☐

complete freedom and won't intervene.

☐

I'll reach out to my team and let them know I've spotted the problem. Then, I'll offer to help.

☐

Because my team is making mistakes, I should no longer give them the freedom to make their own decisions. I'll need to take control of the situation and give them directions.

SUBMIT

CONTINUE



Be available. Even though the laissez-faire style is a hands-off approach, it doesn't mean you can ignore your staff. You must continue to monitor your employees, look out for signs of distress, and remain available. Continue to offer support from a distance and never leave the group stranded without a life vest.



As a laissez-faire leader, your policies will be relaxed, and your interference will be minimal. Your team will have the freedom to make their own decisions and solve their own problems.

Laissez-faire leadership promotes faster decision-making, job satisfaction, creativity, and innovation. But in the wrong settings—or with the wrong team—this same style can crash and burn. Continue to the next lesson to learn about a different and more authoritative strategy.



Complete the content above before moving on.

Autocratic Leadership



Running a Tight Ship

When creating workplace policies, does your team pick the methods, or do you? Do you encourage debate, or is your word the only word?

Those following the autocratic framework will choose the latter method. They adhere to a *“Do as I say”* philosophy, rather than a *“What do you think?”* approach. These leaders run a tight ship, and they expect their team to listen, obey, and fall in line.

Under the right circumstances, autocratic leadership is a necessary style for steady precision. But in the wrong environment, it can dissuade teams and stifle ingenuity.

In this lesson, you’ll learn what autocratic leadership is —including its key features, strengths, and weaknesses. Then, you’ll learn when this style works best and how to leverage the approach in three steps.



What is Autocratic Leadership?

Watch the video to learn what autocratic leadership is—including its strengths and weaknesses, when it works best, and how to make the style work for you in three steps.

VIEW ON YOUTUBE >

What Is Autocratic Leadership?

Autocratic leadership—also known as **authoritarian** leadership—is a unilateral and self-styled management approach. It's a framework where one person makes all decisions independently of the group.

Autocratic leaders are the operation drivers, and they take little to no input or advice from others. A leader adopting this style will be able to check off the following boxes:



Leaders control decisions. Employees are rarely trusted to make choices. Instead, autocratic leaders act independently—regardless of how their team feels. These leaders make all decisions based

on their judgments, ideas, and knowledge. And, while leaders may ask their team for input, it's not required or expected.



Work is highly regulated. Work in autocratic environments is highly disciplined and structured. There's little room for creativity and independent thought. To get the job done right, employees are closely guided, regulated, and monitored.



Leaders decide methods and processes. Leaders determine what needs to get done, how that work will happen, and who's responsible for what. All workplace methods, policies, and procedures are up to the leader's discretion.



Leaders take full accountability. Because leaders are hyper-involved in day-to-day operations—and because they have the final say in how teams operate—they take accountability for what happens next. Failures and successes will fall on the leader's shoulders.





Whether they're running a business, managing a team, or overseeing a project, autocratic leaders maintain complete authority and control.

Strengths of Autocratic Leadership

In certain situations—and with certain groups—autocratic leadership can be highly beneficial. Flip the cards below to learn three strengths of autocratic leadership.

Clear Expectations

No one questions what needs to get done and by when. The vision is clear, and employees understand what's required of them.

Order and Structure

Providing strict direction, order, and guidance, leaders prevent projects from stagnating. People are kept in line, and projects stay on track.

Quick Decision-Making

With one person in charge—and no group consensus needed—decisions are made rapidly. That's especially beneficial during times of high stress, crisis, or emergency.

Weaknesses of Autocratic Leadership

Despite the benefits, there are instances where autocratic leadership can be problematic. Flip the cards below to learn what can happen if autocratic leadership is used under the wrong circumstances.

Lowered Morale

Having no say in how things are done, employees may feel like their voices don't matter—which can lead to detachment, apathy, and resentment.

Dependency Culture

Success depends entirely on a leader's capabilities. If a leader is incompetent, the entire organisation suffers.

Impaired Creativity

When decisions aren't challenged or cultivated through collaborative discussions, you leave no space for conflicting ideas or perspectives—thus curbing creativity.

At its best, autocratic leadership introduces order, structure, and clarity. It improves efficiency and keeps projects moving forward during emergencies. But at its worst, autocratic leadership silences creative voices, promotes a dependency culture, and impairs motivation and morale.



When Autocratic Leadership Works Best

So, how can you get the most out of an autocratic style and avoid the negative side effects? The answer comes down to three things: who's in charge, whom you're managing, and what situation lies ahead.

Expand the rows below to learn when the autocratic style works best.

A Competent Leader Is in Charge —

Under an autocratic framework, the future of an organisation depends on the skills of one person. If a leader is capable and competent, they can elevate the performance of the entire team.

However, if a leader is unqualified or inexperienced, their decisions, directions, and processes will be substandard—thus negatively affecting your success. So, only use an autocratic style if you're confident that you're the most highly skilled and knowledgeable person in the group.

Teams Require Clear Direction —

Some teams may have a difficult time getting organised, setting deadlines, and staying on target. In such environments, a lenient approach will only amplify the problem.

If your employees need to be closely watched, an autocratic style will enable you to take control of the group, assign clear roles and tasks, and establish useful deadlines and processes. As a result, you can boost performance and build that team's competency from the ground up.

You're Facing a Crisis —

With one person calling the shots, it's easier to act quickly and get people moving in a crisis. Rather than needing to deliberate, consult, and agree, one person will streamline the process.

Think of an emergency room crash team or a president during a natural disaster. In such high-stress situations, people look for leaders to take control, make decisions, and restore order as quickly as possible.

You Require Consistency and Precision —

If success depends on consistency and precision, there's little room for independent thought. Consider how an autocratic style can benefit industries that require near-perfect accuracy—such as manufacturing, construction, call centers, fire departments, and restaurants.

In such scenarios, everyone must perform their job by the book. No modifications. No mistakes. If you require strict coordination, error-free outcomes, and strong quality control, an autocratic leader is the best person to get you there.



Don't ignore the benefits. Autocratic leadership can feel like a negative and unpopular approach. But in the right situation, it might be your best option. If your team is highly disorganized, if your projects are getting out of hand, or if you're in a crisis, don't shy away from an autocratic style. It might be the very thing that saves your company—and remember, it doesn't need to be forever.

Making Autocratic Leadership Work for You

If you've decided that the autocratic approach is the best approach for your team and circumstances, you'll need to take a few extra steps to fully leverage the framework and make the style work for you.

Move through this step-by-step interaction to learn what it takes to be a successful autocratic leader.

Strategy 1

Acknowledge and Respect Employees

First, help your employees feel valued by acknowledging their contributions and showing respect. Even though the autocratic approach is rigid, this doesn't mean your staff should feel ignored or *"less than."*

When giving out assignments and feedback, be kind with your words. Let your staff know you value their work. Then, once tasks are completed, acknowledge a job well done and tell your staff, *"Thank you."*

These simple gestures take little time and effort, but they can drastically mitigate some of the drawbacks that come with an autocratic style. Also, small signs of appreciation are necessary steps for building trust, boosting morale, and retaining staff.

Strategy 2

Communicate Before You Enforce

Second, while you don't need to justify every decision, your team should have some understanding of what's happening and why.

If you're making significant changes—or communicating rules for the first time—give your team the time and space to absorb that information. Let them ask questions. Is everyone on the same page? Do your employees understand all the steps?

If time allows, it's also helpful to explain why policies and rules exist. For example, if you're working in a restaurant, you might tell your staff: *"Our customers expect consistency. And these rules are in place to ensure that we meet those expectations."* A little explanation goes a long way. Clearly communicate what you need and why, and your team will be more likely to cooperate.

Strategy 3

Listen to Your Team

And finally, even though your word is the final word, still give your employees the opportunity to speak up. A common mistake for autocratic leaders is to ignore their team outright—thus creating hostile work environments.

To prevent such drawbacks, hold meetings before implementing new policies or procedures. Roll out occasional surveys to gauge overall morale. Give your team the opportunity to feel heard. While you don't need to implement solutions based on your team's input, having that knowledge is beneficial. And, by giving employees the space to share, you can help them feel recognised.

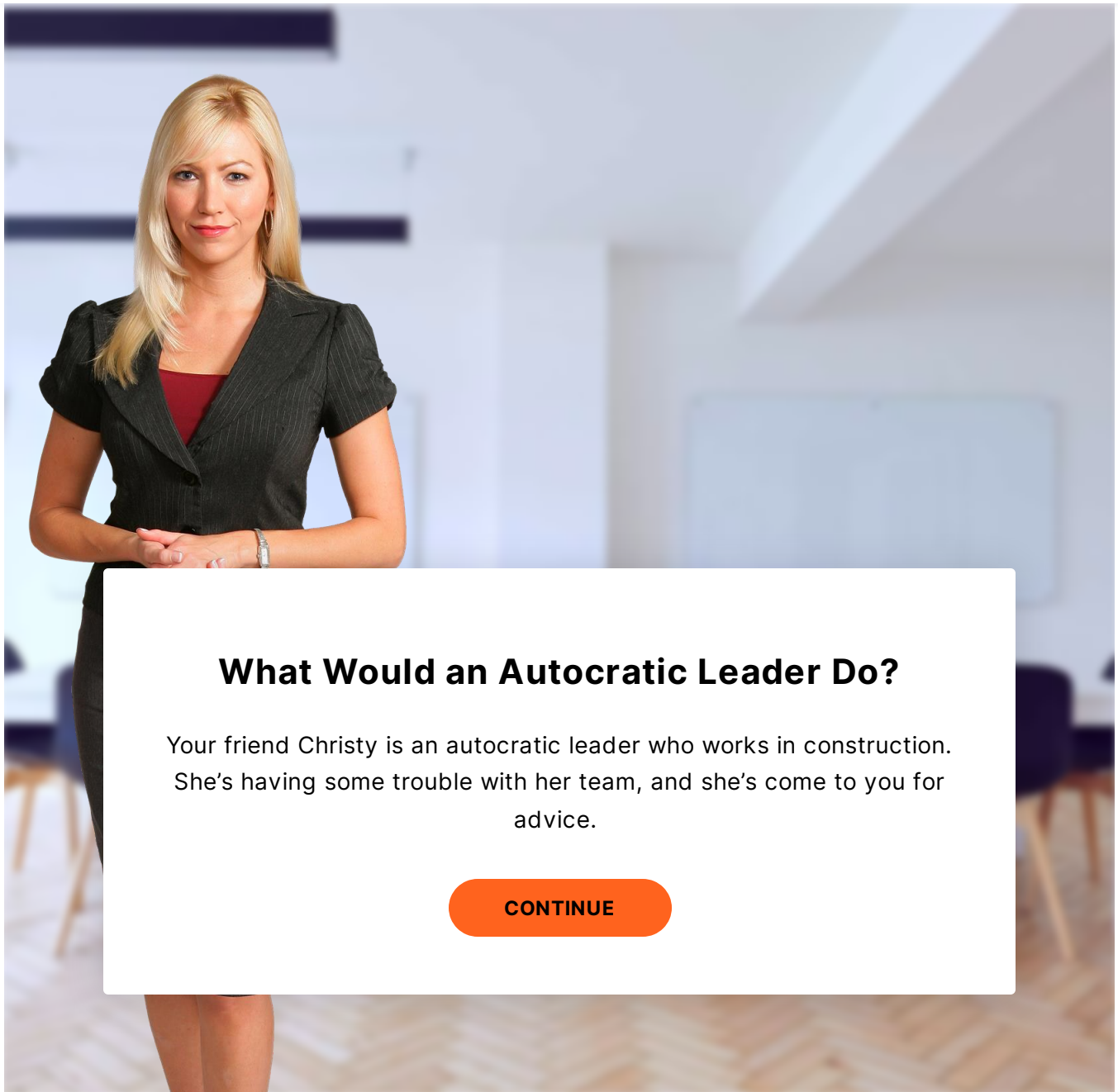
Summary

Before adopting the autocratic framework, take a few steps to help your employees feel comfortable. You can mitigate the drawbacks and strengthen the rewards by acknowledging and respecting your staff, ensuring that your employees understand what you're asking, and listening to your team.



Check Your Understanding

Apply your understanding of autocratic leadership by navigating the following scenario.



What Would an Autocratic Leader Do?

Your friend Christy is an autocratic leader who works in construction. She's having some trouble with her team, and she's come to you for advice.

CONTINUE

Scene 1 Slide 1

Continue → Next Slide



I want to use a new insulation method. It's tough to implement, but it's more sustainable in the long term. Still, I'm getting a lot of team backlash. How can I handle this?

1

Your word should be the only word. Tell your employees that they must fall in line and follow instructions—no questions asked.

2

While the final decision is in your hands, you should hold a team meeting so that everyone can at least voice their concerns.

3

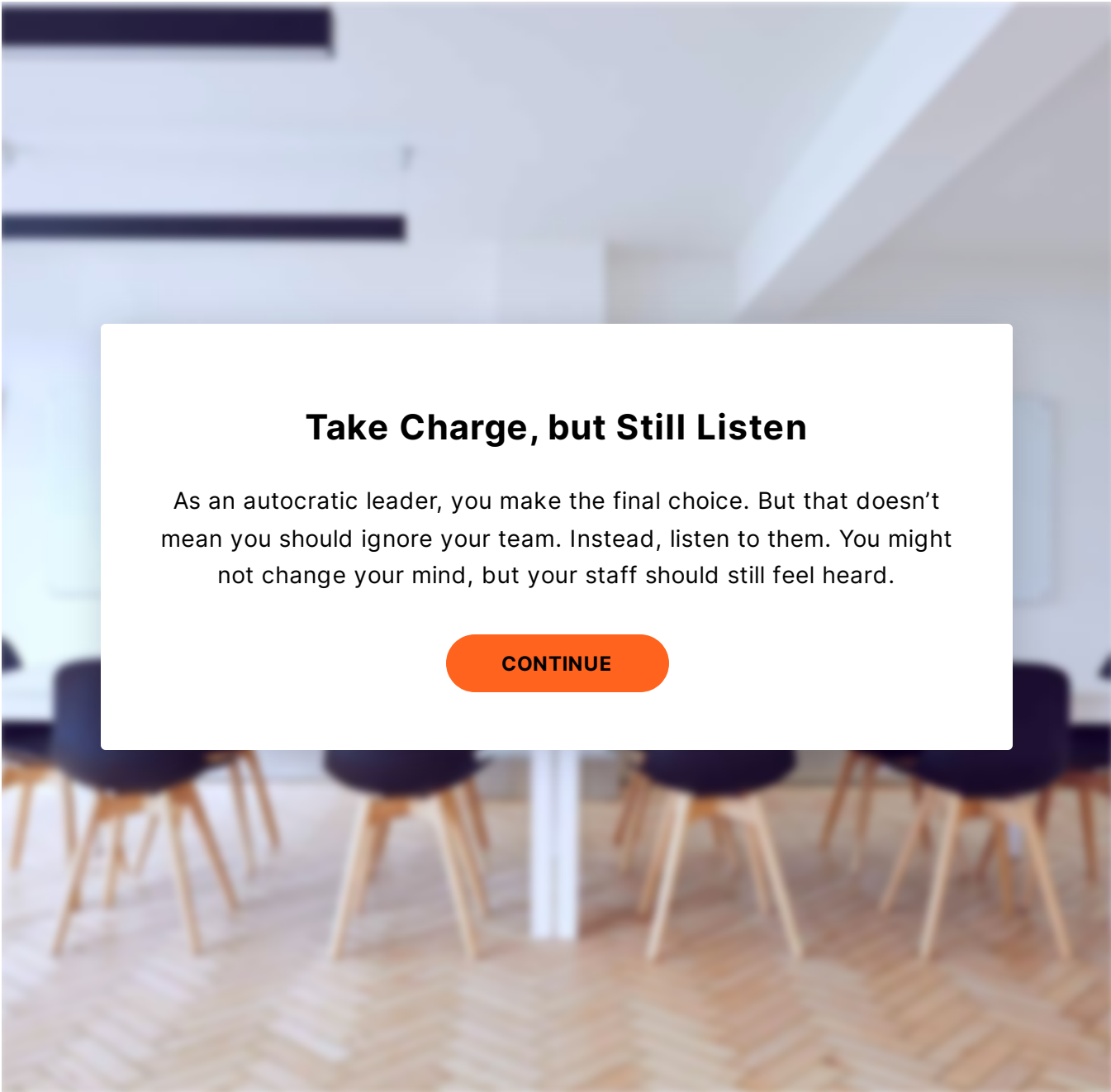
Because your employees are so unhappy, you should listen to them and not use the new insulation method.

Scene 1 Slide 2

0 → Next Slide

1 → Next Slide

2 → Next Slide



Take Charge, but Still Listen

As an autocratic leader, you make the final choice. But that doesn't mean you should ignore your team. Instead, listen to them. You might not change your mind, but your staff should still feel heard.

CONTINUE

Scene 1 Slide 3

Continue → Next Slide

Great Job!

You've successfully helped your friend navigate the backlash and maintain her authority as an autocratic leader. Excellent work.

START OVER



Scene 1 Slide 4

Continue → End of Scenario



When used appropriately—and under the right circumstances—the autocratic style can keep your team focused and on track. To get more perspectives involved, however, let's look at the democratic leadership style.



Complete the content above before moving on.

Democratic Leadership



Communication, Collaboration, Consensus

For many, the word “*democratic*” brings associations of equality, self-determination, and fairness to mind. It’s a term centered around communication, collaboration, and consensus. And, as a leadership style, it enforces similar ideals.

Democratic leaders ask the question: “*What’s your opinion?*” And, before making decisions, they wait to hear that answer. Committed to understanding all voices, these leaders take on a participative role. And they strive for the perfect amount of control: not too much, and not too little.

However, like all leadership styles, the democratic framework has its drawbacks. Before deciding if it’s the best path for you, consider the approach from all angles.

In this lesson, you’ll learn about democratic leadership, including its definition, core characteristics, and pros and cons. Then, you’ll learn when this framework works best and how to be an effective democratic leader.



What is Democratic Leadership?

In this video, you'll learn what democratic leadership is—including its core principles and pros and cons. You'll also learn when this style works best and how to use the framework correctly.

VIEW ON YOUTUBE >

What Is Democratic Leadership?

Democratic leadership is a shared style of control. Similar to a traditional democracy, it's an inclusive framework where everyone is given the opportunity to vote and offer their opinions. And, with those opinions, collaborative discussions are formed, and a consensus is (hopefully) reached.

Often referred to as **participative** leadership, the democratic style encourages people to participate in the management process. Those working under democratic leaders can check off the following boxes:



Inclusive decision-making. Leaders rarely make decisions independently. Instead, they invite all employees to join the

process. They consult with their team, welcome the free flow of ideas, and encourage everyone to contribute, debate, and collaborate.



Group equality. When it comes to individual participation, there's no hierarchy. Leaders and subordinates are seen as equals, and all perspectives are evenly considered. Whether you're the CEO or a newly hired intern, your voice is valued just the same.



Leaders act as facilitators. To establish a respectful environment, leaders act as facilitators. They ask a lot of questions. They do a lot of listening. And they mediate conversations through guidance and direction—thus helping the group arrive at a collaborative consensus.



Leaders maintain the final say. While collaboration and inclusivity are encouraged, final decisions still rest in a leader's hands. Taking each person's input into consideration, democratic leaders gather the best ideas from the group and, ultimately, decide where the team goes next.



“ I ask everyone's opinion when they don't speak up. And then, when they have an opinion, I'll ask others to talk about it.

Ginni Rometty

The Pros and Cons of Democratic Leadership

The democratic framework might seem like an ideal management approach. But before choosing this leadership style, consider its pros and cons by expanding the rows below.

The Pros —

The democratic framework has a positive reputation for building stronger teams, helping employees arrive at collaborative decisions, and elevating engagement:

- 1. Builds stronger teams.** Democratic leaders create an environment of equality, respect, and cooperation. Employees are invited to frequently engage in discussions, learn from one another, and work together. And through that ongoing communication and teamwork, employees develop stronger relationships and feel less isolated.
- 2. Collaborative decisions.** Under a democratic framework, everyone is encouraged to share their knowledge and insights. When presented with a new problem or task, employees put their minds together and—as a group—come up with creative ideas and well-informed workarounds. Not only are discussions collaborative, but the resulting decisions are as well.
- 3. High employee engagement.** Under democratic leaders, all employees have an equal say in what happens. They're included in all project stages—from early brainstorming all the way through implementation. Because of that involvement, team members are invested in and committed to seeing their projects through.

The Cons —

Not all companies lend themselves well to a democratic leadership style. The style has its downsides and, in the wrong circumstances, it can cause time delays, misguided choices, and lowered morale.

- 1. Time delays.** Democratic decisions take time to cultivate. You need to meet with a large number of people, open the floor to debate, and establish a consensus. The more opinions you hear, the longer that process takes. And, if people disagree, arriving at fast, inclusive decisions becomes nearly impossible—thus leading to time delays and incomplete projects.
- 2. Misguided choices.** Not all teams are equally effective. If your staff lacks the skills, knowledge, and experience to make informed decisions, they may give incorrect advice and

agree on flawed proposals. And, as a result, leaders may make misguided choices and push their teams in the wrong direction.

3. Lowered morale. While all ideas might be heard, it's unlikely that all suggestions are utilized. Democratic leaders can't implement every proposed solution. They must make tough decisions. And for many employees, that's a discouraging revelation. With their suggestions ignored, employees may feel pushed aside, rejected, and undervalued.

The pros and cons of democratic leadership go hand in hand. People work together, but collaboration takes time. Employees contribute more—but if they're ill-informed, those judgments are misguided. And engagement is strong, but it can backfire if employees feel like their dedication doesn't pay off.



When Democratic Leadership Works Best

So, how can you ensure that the democratic drawbacks don't override the benefits? To reap the full rewards of this style, you must carefully evaluate who's leading the charge, who's participating, and what situation lies ahead.

A democratic approach works best if the following are true:

1

Employees are highly skilled. To get the best ideas, your employees must have the right experience and in-depth knowledge to make informed decisions.

2

Your team works well together. To arrive at a consensus, capable employees must also be willing to cooperate with one another and support your organizational goals—even if their ideas aren't used.

3

You need creative solutions. A democratic style is great if you need fresh ideas. You can open discussions, gather new insights, and receive input from a diverse employee base. Plus, with employees working collaboratively, your chances of uncovering unique, creative ideas further increases.

4

You have the time for deliberation. To take advantage of the democratic framework, you need to hear all opinions, open the floor to debate, and develop a collaborative consensus. Such discussions require time. If your team is in a rush, a democratic style is ineffective and best avoided.

5

You're a skilled mediator. Staying on track and building a consensus isn't always easy—and having numerous ideas thrown your way can be overwhelming. To achieve success, you'll need to be a strong mediator who can encourage free-flowing discussions, promote collaboration, and keep your team on target.

Democratic Leadership: Best Practices

If you've decided to use a democratic approach, there are a few tips you can follow as a leader to improve the style's effectiveness and increase your chances of success.

Advance through this interaction to learn more.

Practice 1

Keep Communication Honest and Respectful

Employees must feel comfortable sharing their ideas, and that requires an environment of honesty, trust, and acceptance.

You and your subordinates likely won't agree on every suggestion, but to promote healthy conversations, those suggestions must at least be considered. Don't dismiss ideas outright or mock someone for a bad idea: *"Are you crazy? That would never work!"* All that response does is stifle future creativity.

Instead, be open to suggestions. Allow for the free flow of communication. And be respectful: *"Unfortunately, we won't be able to make that happen, but I like your thinking!"* Plus, even if an idea is wrong, that suggestion could still shift the conversation and lead the group to a great solution.

Practice 2

Focus Discussions

Even though the decision-making process is collaborative, teams still need some direction to focus those conversations. As a democratic leader, that's your responsibility. You must find the perfect balance between letting suggestions flow freely and keeping the team on topic.

If you notice conversations steering off track, help the group get back on the right path. Don't allow collaborative discussions to turn into an excuse for procrastination. Instead, reinforce the reason why you're meeting and re-steer that conversation.

Also, set deadlines: *"Let's wrap this meeting up by 4 p.m."* By creating time limits, you'll keep the team focused and prevent them from sacrificing more time than necessary.

Practice 3

Be Ready to Commit

Part of steering conversations involves committing to a decision. Ideas will continue to flow, but once a viable solution has been presented, commit to that approach and ensure that your team stays with it. Constant second-guessing will only ensure that nothing gets done.

Tip: Keep a record of all ideas. Not only will this make it easier to stick to one suggestion and let the others go, but it could help down the line. An idea that doesn't work today might be the perfect solution for a future problem. Plus, by recording those suggestions, you can help your staff feel appreciated.

Practice 4

Explain Decisions

Finally, once a choice has been made, communicate that decision and explain why. Under a democratic framework, the phrase *“because I said so”* doesn’t work.

Your staff took the time to present ideas and meet with one another. They’re likely invested in the outcome of what happens next. So, give them the respect of knowing why you had strong reasons to choose a certain path.

And, for those who had their ideas rejected, let them down gracefully. Explain why the proposal didn’t work, and then thank them for their input. And, if you think you can use that suggested approach in the future, let that staff member know: *“You had a great suggestion. I’m going to keep a record of it so that we can hopefully do that in the future.”*

Summary

The democratic style doesn't work if ideas are silenced. To be effective, you must create a participative environment. Communication must be honest and respectful. Leaders must keep conversations on target. And, to avoid wasted time, you must commit to an idea when the time comes and explain your reasoning.



What Would a Democratic Leader Do?

Check your understanding of democratic leadership by completing the following activity.

You work at a technology company and are designing a new mobile phone. You've had three meetings on the visual design, but your staff continues to debate, and no consensus has been reached.

The deliberation process has been going on too long. As a democratic leader, what can you do?

- ☐ I should not get in the way of this collaborative process. Creativity takes time, and I need to let the team continue debating.
- ☐ I should set a deadline for the team: They must come to a consensus by this Friday.
- ☐ I should take a hands-on approach by facilitating the conversation and ensuring that no more time is wasted.
- ☐ Because time is running out, I can take all suggestions into account and independently make a decision based on that information.

SUBMIT



Create an inclusive environment. To be a successful democratic leader, you must create a space where equality is part of your company makeup. You can't turn inclusion on and off. Rather, you must build an environment where group members are eager to share their knowledge—both inside and outside the meeting room.

A democratic style can create a highly successful and dynamic working environment. But before settling on this framework, let's explore the next approach on our list: transactional leadership.



Complete the content above before moving on.

Transactional Leadership



Transactional leadership is a leadership style that emphasises the relationship between leaders and followers.

Carrots and Sticks

Imagine you're a youth soccer coach. Every season, parents pay for your training. It's a transaction that follows the logic of: *"If you do this, I'll give you that."* And as a leader, you might use a similar approach to motivate the kids: *"Score two goals, and we'll go out for ice cream."* To keep everyone in line, you might even add a few punishments: *"If you're late to practice, you have to run extra laps."*

The above scenario describes the foundation for transactional leadership. Believing that internal motivation isn't enough, transactional leaders use external incentives. They take control, tell their teams what to do, and follow a reward-penalty system to encourage optimal performance. If your team needs an extra push, it's a practical approach. However, like all leadership styles, the framework won't work for all teams or in every situation.

In this lesson, you'll learn what transactional leadership is—including its definition, primary characteristics, and benefits and drawbacks. Then, you'll learn when this style is useful and how to be an effective transactional leader.

 **YOUTUBE**



What is Transactional Leadership?

Watch the video to learn what transactional leadership is, when the style is most effective, and how to use it correctly.

VIEW ON YOUTUBE >

What Is Transactional Leadership?

Sometimes also called **managerial leadership**, transactional leadership is a “telling” style of control. Under this framework, leaders hold authority, and they use that authority to tell employees what to do.

Transactional Leaders Maintain Order

Maintaining order is a priority for transactional leaders. They rely on structure and established routines—and don’t allow for much flexibility.

Transactional leaders closely monitor their staff—looking for successes and failures. And, based on that performance, these leaders will either reward or penalise their team.

5 Characteristics of Transactional Leadership

So, what are some of the telltale signs of transactional leadership? Typically, the style is characterised by the following five points:

1

Depends on hierarchy. Transactional leadership follows a rigid hierarchy. Based on the corporate structure and chain of command, leaders maintain formal authority over their team. The expectation is that employees will respect that structure, hand over control, and follow instructions.

2

Relies on extrinsic motivators. Presuming that employees are not self-motivated, transactional leaders rely on extrinsic motivators. Extrinsic motivators are external rewards that appeal to an employee's self-interest. Following this approach, leaders use incentives (such as raises and time off) to encourage staff to perform at their best.

3

Uses a reward-penalty system. Transactional leaders see their relationship with employees as an exchange. For example, in exchange for meeting sales targets, team members might be rewarded with bonuses. Or, in exchange for missing those marks, employees might have to give up vacation days. The framework follows a simple logic: *"Give me excellent work, and you'll get a reward. Perform poorly, and you'll be penalised."*

4

Adheres to rules and structures. Under the transactional framework, rules are inflexible. Even while working independently, employees are still expected to follow the same procedures, adhere to the same guidelines, and work within the same existing structures.

5

Upholds the status quo. Transactional leaders tend to work at established companies and rely on existing structures and systems. Adhering to the status quo, these leaders don't like to stir the pot or modify how things are done. Rather, they follow the same fixed direction and work within existing parameters.



Transactional leaders take a practical approach to problems, think inside the box, and prefer realism over idealism. They use a chain of command to create order, and they believe people are best motivated by a system of rewards and punishments.

The Benefits of Transactional Leadership

Depending on your company and current needs, the transactional framework can create enormous value. Flip the cards below to learn about some of the benefits associated with this leadership style:

Clear and Easy Structure

A rigid structure
creates clarity.
Expectations are
clear, procedures
are straightforward,
and employees
know what's

Heightened Motivation

Knowing their efforts won't go unrecognised, staff are motivated to push forward, appeal to their self-interest, and work efficiently.

Increased Productivity

With strict directions, employees don't question their responsibilities. Plus, motivated by rewards and

The Drawbacks of Transactional Leadership

Transactional leadership doesn't come without problems. Because of its controlling and rigid style, the framework may prevent companies from reaching their full potential. Flip the cards below to learn about three primary drawbacks:

Stifles Creativity

In a status quo environment, there's no room for new ideas, independent thoughts, or creativity. Everyone works within preset standards.

1 of 3

Stalls Development

Inflexible leadership hampers innovation. New, better ideas are never generated. Companies only stay in the moment.

2 of 3

Impairs Engagement

Those driven by self-development, creative contributions, and emotional bonds will be disappointed. Such

You Require Structure —

If a structure is important to your company's success, a transactional style will get you there. Rather than coming up with new ideas, the purpose of this style is to improve productivity within an existing framework.

If you don't mind sacrificing innovation for order, transactional leadership will help ensure that processes run smoothly and you avoid chaotic situations.

Tasks Are Specific —

If tasks are specific and clearly defined, it's helpful to have your team working linearly. As a transactional leader, you can keep your team on target by letting staff know exactly what must be done, how it needs to happen, and what rewards or consequences you'll give depending on performance.

In these situations, it's often beneficial to stifle creativity, as that ensures all tasks are carried out in the same specific and reproducible way.

Your Team Responds to Rewards and Penalties

Not all teams perform well under a reward-penalty structure. For example, some employees are most motivated by an achievement drive and a sense of purpose. For those staff members, transactional incentives won't be enough to keep them on board.

Analyse your team, determine their personal drivers, and only use the transactional style if you're confident that your staff is motivated by money and self-interest.

You're in a Crisis

Transactional leadership is great for dealing with the "here and now." In such situations, you need to get out of the quicksand as rapidly as possible—and that requires order. You must assign clear responsibilities, motivate staff to work efficiently, and address problems hastily.

In an emergency, an immediate, short-term perspective can provide relief and get you back on your feet.

How to Be an Effective Transactional Leader

If the transactional style looks perfect for your needs, there are a few extra steps you can follow to boost your success. Move through this interaction to learn more.

Strategy 1

Set Clear Goals

Your team is trusting that you'll give them structure. Avoid ambiguity by establishing a clear vision with transparent goals. You must also communicate those goals to your employees and outline your expectations and requirements.

When establishing goals, follow the SMART methodology, which stands for specific, measurable, achievable, relevant, and time bound.

- **Specific:** Avoid generalisations. Be clear about what you expect.
- **Measurable:** Goals should be trackable. Set timelines and quota specifications.
- **Achievable:** Think logically. Goals should be realistic and practical.
- **Relevant:** Goals should make sense to your organisational mission.
- **Time-Bound:** Never begin directions with: "*at some point.*" Instead, set a time. When should tasks start? When should they end?

Strategy 2

Give Guidance and Direction

After communicating goals and objectives, decide how those targets will be achieved. Under a transactional framework, employees don't have much control over how tasks are done. It's up to you to create an effective framework with the right processes in place.

At the start of a project, give your team guidance and set them up for success. Tell your employees what you expect of them and how they should perform assignments. Also, keep those directions as straightforward as possible with step-by-step guidelines. That way, you can help the group reach their goals and achieve the rewards they've been promised.

Strategy 3

Offer Constructive Feedback

Finally, to keep your staff performing at optimal levels, they need constructive feedback. While rewards and punishments can be effective motivators, your staff still requires additional recognition to ensure success.

If you notice someone struggling, offer advice before it's too late. Rather than waiting to dole out a penalty, step in and see if you can re-guide that staff member. That way, you'll avoid having to give out a potentially morale-harming punishment.

Also, even if an employee is already hitting their targets, still let them know what they're doing right. When giving out rewards, emphasise the positive behaviours you've noticed and explain why those actions are working. By giving feedback, you'll ensure that high performance stays consistent.

Summary

To boost your success as a transactional leader, first set clear goals. Follow the SMART model and keep goals specific, measurable, achievable, relevant, and time bound. Next, give your team members guidance and direction and, finally, offer constructive feedback to keep your staff performing at optimal levels.



Should You Use the Transactional Framework?

Before moving on, check your understanding with the following question.

Based on what you've learned, under which of the following situations should you use transactional leadership?

☐

You're starting up a new company and need to hit the ground running with heightened productivity.

☐

You're brainstorming new ideas with your team and want to encourage them to come up with some creative solutions.

☐

You're working on a project and a critical mistake has been made. It's an emergency, and you need to react quickly.

SUBMIT



Prioritise communication. As a transactional leader, you set the goals, procedures, and expectations. However, if your team doesn't understand those rules, the style falls apart. So, always communicate goals clearly, give guidance, offer feedback, and give your staff ample time to ask questions. That communication can make the difference between achievement and failure.

Transactional leadership works best when upholding the status quo. But what if your company needs innovative solutions? Continue to the next lesson to learn how to instill change—while motivating and inspiring your team—with transformational leadership.



Complete the content above before moving on.

Transformational Leadership



Fighting for Change

Change doesn't come easily. And whether our goals are professional or personal, we often need an extra push before we're willing to start doing things differently.

But how do you create that type of push in the workplace? Often, it requires a transformational leader.

As the name suggests, transformational leaders are crusaders for change. Cultivating employee inspiration, motivation, and enthusiasm, these leaders challenge the status quo and push their employees to revamp their workplaces with innovative ideas, solutions, and processes.

In this lesson, you'll learn what transformational leadership is, including its defining characteristics, advantages and disadvantages, and when the style works best. Then, you'll learn how to become a transformational leader with four essential principles.



What is Transformational Leadership?

Watch the video to learn what transformational leadership is, including its characteristics, pros and cons, and when the style works best. Then, learn how to become a transformational leader by following four principles.

[VIEW ON YOUTUBE >](#)

What Is Transformational Leadership?

Transformational leadership is built around a single objective: positive transformation. In this style, leaders inspire their teams to create improvement-based change that is:

- Fair
- Ethical
- Beneficial to everyone

Those who adopt a transformational approach formulate clear visions built on big ideas. Leaders also hold a vital role in making those ideas a reality—supporting their staff, gaining their team's trust, and inspiring the group to achieve bigger and greater things.

“Transformational leadership is about using your actions to elevate others and put them on their path to greatness.”

Terina R. Allen

Characteristics of Transformational Leadership

Transformational leaders display five signature characteristics. Move through this interaction to learn about each.

Characteristic 1

They Encourage Positive Change

Transformational leadership is future-focused. It asks the question: *"How can we do better?"* And it strives to create those transformations.

Under this framework, company goals, products, services, policies, and even staff are prone to change.

Characteristic 2

They Set the Standard

As role models, leaders are visionaries who set the standard for everyone. They don't just tell, they do.

Transformational leaders garner their team's admiration and respect, look outside their self-interest, and encourage their employees to do the same.

Characteristic 3

They Motivate Staff

Through their charismatic personality, leaders bring out the best in people.

They establish an inspirational vision, believe in their employees, and know how to excite, empower, and mobilise others—thus encouraging their team to push past limits and achieve better results.

Characteristic 4

They Give Employees Autonomy

While leaders will coach and mentor their team, they don't micromanage. Instead, they delegate tasks and trust employees to work through problems.

Once trained, workers are challenged to operate autonomously (or in small groups), develop their own processes, and come up with new ideas.

Characteristic 5

They Prioritise Employee Development

Above all else, transformational leaders are committed to people. Leaders want to see everyone succeed and improve their skills over time.

Through compassion and training, leaders build employee confidence and, eventually, turn followers into leaders themselves.

The Advantages of Transformational Leadership

Alongside the benefits of motivation, autonomy, and development, transformational leaders also push staff toward three noteworthy benefits. Move through and flip the cards below to learn about each.

Shared Vision

Leaders build strong, forward-looking visions. And with those visions, they motivate employees to look beyond self-interest and work toward common objectives.

Innovation

The framework encourages staff to challenge assumptions, think about old problems in new ways, and cultivate original, innovative solutions.

Short- and Long-Term Goals

Leaders strike a balance between short- and long-term goals by thinking big and establishing realistic steps to keep those processes moving forward.

The Disadvantages of Transformational Leadership

Despite the positives, transformational leadership does come with a few downsides. And sometimes, the style can cause more harm than good. Advance through and flip the cards below to reveal three drawbacks of transformational leadership.

Challenging to Master

To succeed in this style, leaders must be adept at teaching, motivating, and empowering others. If they're not, the framework will fail.

1 of 3

Reality Gaps

If not careful, leaders can unduly rely on their passion and enthusiasm—causing them to overlook logical reasoning, avoid inconvenient truths, and make risky decisions.

2 of 3

Detail Oversights

The bigger the vision, the more likely everyday details are ignored. Small oversights can derail success. For the style to work, visions require support from detail-oriented staff.

3 of 3



Is Transformational Leadership Right for You?

How do you know if transformational leadership is right for you? The style works best if the following are true:

1

Your staff is diversely skilled. To create positive change, you need a diversely skilled team with varying expertise. First, you need creative thinkers and visionaries who can think outside the box. Then, to balance those visions, you also need logical, detail-oriented employees who can create stable, step-by-step action plans to turn those visions into reality.

2

You have time to help followers grow. Transformational leaders look beyond day-to-day work products and create a culture of ongoing growth and development. But establishing such an environment takes work. So, ask yourself: *“Do we have the time and resources to create this type of culture?”* If not, you may fare better with an alternative leadership approach.

3

You’re willing to take creative risks. This style requires creative risk-taking, and mistakes are bound to happen. But for some businesses—such as healthcare or construction—those mistakes may cause more harm than good. So, weigh the pros and cons, and make sure the risk is worth the reward.

4

You need to make significant changes. If your company needs a serious overhaul, a transformational framework is an ideal approach. Ask yourself: *“Are our systems and processes outdated? Is something no longer working?”* If so, you can use the transformational style to mobilise your team, think about the future, and devise new ways of doing things.



“ Transformational leaders don't start by denying the world around them...They describe a future they'd like to create instead.

Seth Godin

The Four Principles of Transformational Leadership

If you've decided that the transformational approach is best for you, you'll need to empower your team to think differently and grow their skills.

To create such inspiration, follow the *"4I Model."* The *"4I Model"* refers to four principles that all transformational leaders should work to develop. Expand the rows below for a breakdown of each principle and how to implement it within your workplace.

Inspirational Motivation —

Inspirational motivation is your ability to inspire and motivate others. It revolves around boosting excitement, continually re-recruiting enthusiasm, and encouraging your teams to work toward a common vision. To create inspirational motivation, focus on the following strategies:

1. **Keep visions clear.** It's difficult to maintain motivation in a disorganized work environment with vague goals. To mobilize your team, you must give the group a clear target to strive toward. And that begins with communicating clear, easy-to-understand objectives.
1. **Include your team in decisions.** When making workplace decisions, it's best to include your team in that process. Ask them for advice, give them the opportunity to offer new ideas, and encourage staff to collaborate. Show employees that their voices matter, and you're more likely to maintain their motivation.
2. **Celebrate employee performance.** Help staff members feel motivated by recognising excellent work and sharing your optimism about future performance. Celebrate employee

accomplishments, offer positive feedback, and congratulate your team on successful ideas and strategies.

Intellectual Stimulation —

To help your staff grow as individuals, you also need to stimulate them intellectually. To follow this strategy, allow employees to get creative, learn new skills, and achieve higher performance levels. Here are a few tips:

1. **Encourage staff to explore new methods.** Transformational leadership is about finding new solutions to old problems. So, encourage your staff to explore different methods, experiment, and approach existing problems from new angles. And, if mistakes are made, don't criticize your team for trying—that's how growth happens.
2. **Give staff decision-making freedom.** Even though transformational leaders are highly involved in day-to-day operations, they still give employees the space to think independently. Offer your team support and resources, but remember to let go of the reins and encourage your staff to make their own decisions.
3. **Promote out-of-the-box thinking.** To inspire creativity, set a standard that no idea is too outlandish. While every out-of-the-box idea won't be implemented, you'll help the group get comfortable flexing their creative muscles by promoting free thinking and encouraging mistakes.

Idealised Influence —

Idealised influence is being a role model for your followers. It's about practising what you preach and walking the walk. So, how can you be a role model? Focus on exemplifying the following behaviours:

1. **Act with high integrity.** Those who uphold high ethical standards are more likely to be respected. Even when it's hard, always do the right thing. That type of behaviour will resonate with your staff. And, as a bonus, it can help you build an emotional connection with your team.
2. **Demonstrate a willingness to take risks.** If you want your staff to think creatively, they need to see that risks are OK. Not every idea will work. But by taking creative chances and

using your mistakes as a learning opportunity, you can inspire future innovative thinking from others.

3. **Keep behaviour consistent.** While change itself is encouraged, your behaviour should not be unpredictable. No employee wants to walk into the office and think, *"I hope my boss isn't in one of their moods today."* Don't act arbitrarily. Rather, give everyone the same treatment (regardless of how you're feeling) and be a reliable rock that your team can count on.

Individualised Consideration —

Individualised consideration is about recognising people as individuals. While you should celebrate the team effort, it's also important to look at every person and give them individualised attention. Here are some tips to follow:

1. **Show individual respect.** Everyone has different definitions of respect. So, help your staff members feel understood by listening to them on a personal level and treating them how they want to be treated. Be courteous and don't group people together based on assumptions.
2. **Provide customised one-on-one coaching.** Different employees need help with different things. So, customise how you lead by mentoring the individual, not the group. Offer personalised training, avoid leading with a one-size-fits-all approach, and focus on what each person needs to succeed.
3. **Keep communication lines open.** Communication should be a two-way street. Alongside receiving your coaching and motivation, employees should have ample opportunity to share their own ideas. Help your team feel heard by seeking their input, encouraging them to ask questions, and keeping communication lines open.



Change is ongoing. Transformational change is ongoing. And to be successful in applying this style, you must avoid getting caught up in outdated ideas that no longer work. Make a habit of doing regular self-checks by asking the following questions:

How can we make things better? Can we streamline any systems? Is anything no longer working?



To be a catalyst for positive, transformational change, you must look outside yourself. You must perfect your ability to motivate, challenge, influence, and develop others to be their best possible selves.



Match the Principle to the Strategy

As an excellent transformational leader, what can you do to demonstrate inspirational motivation, intellectual stimulation, idealised influence, and individualised consideration? Answer that question by completing the following activity.

Match each principle on the left with the correct strategy on the right.

≡ Inspirational Motivation

With my team, I'll build a clear and powerful vision.

≡ Intellectual Stimulation

I'll encourage my staff to think outside the box.

≡ Idealised Influence

	I'll take risks and act with high integrity and consistency.
≡ Individualised Consideration	I'll offer one-on-one coaching opportunities.
SUBMIT	

Like the other leadership strategies, the transformational framework can be highly effective when used in the right situation. To conclude, let's get a final overview of all five leadership styles.

	Complete the content above before moving on.
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Key Takeaways



Great leadership isn't about what works for you. It's about what works for your team as a whole.

Key Takeaways

Throughout this module, we've examined five of the best-known leadership styles to guide and direct a team. Expand the rows below for a refresher on each one.

Laissez Faire —

A hands-off approach that's based on minimal overhead and team autonomy, this style works best at creative, fast-moving companies with highly knowledgeable, skilled self-managers.

When using the laissez-faire style, get your team started before stepping aside, and communicate your willingness to help as you monitor performance and act as a mentor. Also, be ready to step in if you find that your team lacks the necessary skills, training, and initiative to manage themselves.

Autocratic —

In this authoritative approach, you'll maintain authority—controlling decisions, regulating work and processes, and taking full accountability. Only use this style if you're confident that you're the most skilled and knowledgeable person on your team. This style also works well if your employees need clear direction, you're facing a crisis, or you require consistency and precision.

To make the best use of the autocratic framework, help your employees feel valued by acknowledging and respecting them, listening to their opinions, and communicating the reason behind a choice before enforcing it.

Democratic —

This inclusive style gives everyone the opportunity to participate in the management process—contributing ideas, collaborating with one another, and (hopefully) reaching a consensus. This style is effective if employees are skilled and open to conversation, you need creative solutions, and you have time to deliberate.

As a democratic leader, you bear responsibility for keeping communication respectful and focused. You must be an adept mediator who can facilitate conversations—and feel comfortable making final decisions. Once you settle on a choice, you must also commit to that decision and explain your reasoning.

Transactional —

Leaders adopting this style maintain authority and appeal to employee self-interest with a reward-penalty system. Following this framework, leaders tell their team what to do, and employees perform those tasks in exchange for external rewards like cash bonuses.

A transactional framework only works if your team is motivated by a reward-penalty system. It's also a helpful strategy if you're in a crisis and require structure, or if you need to uphold the status quo as employees perform specific tasks. When using this framework, set clear goals for your team, give guidance, and offer feedback alongside any rewards and penalties.

Transformational —

This emotionally driven method relies on charismatic leaders to encourage fair and ethical change by introducing freedom and creativity into the workplace. Transformational leaders act as role models as they motivate their employees, give their team autonomy, and prioritise employee development.

This style excels when you need to encourage innovative change—so long as your team has diverse skills, you have time to help your employees grow, and you're willing to take creative risks. When using the transformational framework, follow the “4I Model” by offering your team inspirational motivation, intellectual stimulation, idealised influence, and individualised consideration.



Choose wisely. As you reflect on your options, consider your employees as well as your company's needs. Different circumstances will require different styles. You may need to combine several approaches to create the ideal framework for your team. Stay flexible and remember: Great leadership isn't

about what works for you. It's about what works for your team as a whole.

Thank you for completing this module!

Lesson 8 of 9

Knowledge Check



Module 6: Review Questions

Question

01/10

A _____ is a characteristic that belongs to a person.

- ☐ Style
- ☐ Trait
- ☐ Technique
- ☐ Trend

Question

02/10

A _____ is a way of doing something.

- ☐ Trend
- ☐ Technique
- ☐ Style
- ☐ Trait

Question

03/10

Depending on the _____, some styles are more appropriate than others.

- ☐ Team
- ☐ Day
- ☐ Project
- ☐ Occasion

Question

04/10

Great leaders have more than one style in their _____.

☐ Toolkit

☐ Office

☐ Mind

☐ Laptop

Question

05/10

If your employees are self-starters with high intrinsic motivation _____ style can produce excellent results.

- ☐ Autocratic
- ☐ Democratic
- ☐ Laissez Faire
- ☐ Transformational

Question

06/10

Under the right circumstances, _____ leadership is a necessary style for steady precision.

- ☐ Transactional
- ☐ Autocratic
- ☐ Democratic
- ☐ Transformational

Question

07/10

The _____ style encourages people to participate in the management process.

- ☐ Laissez Faire
- ☐ Autocratic
- ☐ Transactional
- ☐ Democratic

Question

08/10

_____ leaders tend to work at established companies and rely on existing structures and systems.

- ☐ Democratic
- ☐ Transactional
- ☐ Autocratic
- ☐ Transformational

Question

09/10

Those who adopt a _____ approach formulate clear visions built on big ideas.

- ☐ Laissez Faire
- ☐ Transactional
- ☐ Transformational
- ☐ Democratic

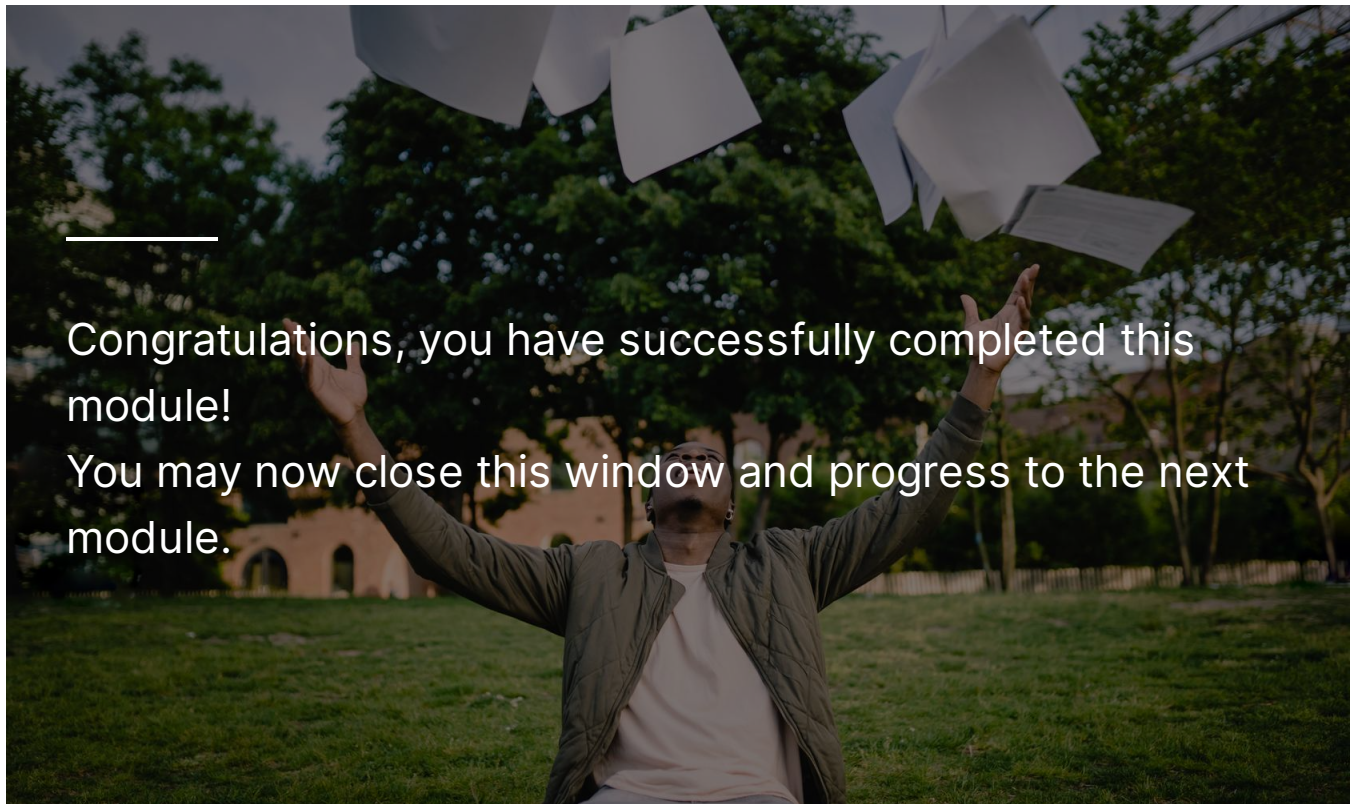
Question

10/10

Great _____ isn't about what works for you. It's about what works for your team as a whole.

- ☐ Teamwork
- ☐ Management
- ☐ Leadership
- ☐ Style

Module 6: Completed



Congratulations, you have successfully completed this module!
You may now close this window and progress to the next module.