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# Leadership Styles and Leadership in Amazon

## Introduction of Leadership and Styles

Leadership is seems as to be the most crucial expertise of management, which includes the capability to inspire a team of individuals to achieve a specific objective, it also aims on improvement of followers, their wants and increasing their ability to perform better, while having focused on the growth of their skills, also considering their motivational levels will assist them in achieving their objectives more easily as they work in a good environment. (Andrew S Klein, 2013). This approach inspires them and builds trust in them to perform their duties with freedom, through this they will be encouraged to communicate, adapt new practices and be able to cope up with changes in the structure of their working environment. (Uchenwamgbe, 2013) (Azman Ismail, 2009)

Companies which practice efficient leadership styles combined with different factors in their strategy has more probability in determining the objectives for company, having these various styles of leadership will not only impact the culture of a company but rather it will affect the company to perform more better. (Haque, 2015) (Andrew S Klein, 2013). These styles plays essential roles in companies and it is widely used by managers in carrying out their leadership function. (Armstrong, 2012). It is a kind of attitude played by managers to motivate their employees to accomplish a specified objective, it is an act of a manager that how he behaves with employees in completing the tasks. (Mullins, 2000)

These styles can influence the behaviour of employees towards their leaders, this can also impact the performance and satisfaction of employees, these styles reflects about how leaders works and how they behave in a company, it includes a set of communication, personality, traits and skills a leader has towards their followers, it is a type of manner to conduct plans and procedures, giving directions etc. (Xenikou, 2017) (Jon Welty-Peachey, 2014) So, therefore different situations require different types of styles of a leader and sometimes only one style is not enough to handle crisis or reach a target, so this would demand another style of leadership or a combination of various leadership styles to effectively communicate with employees and figure out best possible ways to eliminate crisis and work efficiently. (Adair, 2003).

## Autocratic Leadership

These are the class type of leaders in nature, they exercises their power over employees and makes them work under their orders, and decision making is limited to these leaders only. (Robert E. Kaplan, 2003). They force their employees to work accordingly to them and use their strategies and follow their decisions rather than motivating or appraising them. (Victoria A. Visser, 2013). Basically these leaders are known as power-oriented, strict, dictators and with a closed mind set. (Bernard M. Bass, 2008). Creating new ideas, sharing vision, co-ordinating, commitment is excluded in this kind of leadership. (Khajeh, 2018) This leadership is mainly driven by power where managers take decisions alone without the involvement of other subordinates and also takes complete responsibility of the outcomes and performance of company. Their followers are enforced to work under their direction, communication is seems to be formal or rather in written form. (Michael A. Germano, 2010) These leaders make choices or

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implement new ideas on their own will and also suggestions from employees are not much appreciated as this type of leadership includes complete authority and less involvement of employees in carrying out decisions as leaders commands all the working procedures and members are not much trusted with decisions or significant tasks. (Iqbal N, 2015)

This type of leadership is mostly used when there is emergency situation in a company, when a sudden problem arises that needs an instant action, sometimes the projects gets delayed due to misunderstanding of employees and they don't take responsibility when some mistakes happen so there is an autocratic leader which authorises his power and delegate tasks and make wise decisions which helps the work to be done on schedule. This styles are also applicable to blue-collar employees those who doesn't have enough skills or qualification, talent and any team or workers which doesn't have enough experience and are newly hired and doesn't have information relating to their tasks, then this style is perfect to enable them to learn by trial and grow without delaying or losing time.

## **Democratic Leadership**

It is a type of leadership which involves high interaction of employees and great involvement in decision making, vision is shared across group members, workers takes more interest in choices made by managers. (Swapna Bhargavi, 2016) Decision making is not limited to leaders rather every employee is encouraged to take part in this process. (Izidor Nwokocha, 2015). Contributions made by employees are highly appreciated by leaders, communication between employees and leaders are highly effective and exchange of feedbacks are done. Leaders also participate with employees in setting of goals, targets, giving suggestions, sharing new ideas for solving issues, workers are given freedom to work on new ideas, innovate and suggest new activities to be performed. (Daan A. Stam, 2010) Power is also shared which increases morale of employees and motivates them to indulge in decisions made by leaders and give their best. (Warren G. Bennis, 1995). Employees share their thinking and become more creative in solving conflicts and also become more committed in working on new projects. So therefore, this leads to higher performance of company as workers are more encouraged to solve tasks and are free to communicate with leaders. (Sadia Arif, 2018)

It is mostly used in under circumstances where team members are talented and anxious to contribute their ideas and knowledge, having a lot of time to enable people to contribute is also important, constructing a structure of plan and later on selecting that which course of actions suits best.

## **Charismatic Leadership**

It is influenced by the behaviour, attitude and personality of a leader on their employees, they give inspiration to their workers to perform better, this leadership is has flexibility and has positive impact on employees and it carries great changes in the productivity of workers. Having trust in their leaders is a key element of this style, so for being charismatic leaders in the long term they should develop keen interest in their employees. It is also referred to as heroism, they encourage their employees which increases their self-esteem and develops a perception of being note-worthy in a company which helps in more trustful commitment. (Sidra Ansar, 2016). Loyalty also plays an important role for a charismatic leader to further lead their team to work with more efficiency with having better outcomes. Charismatic leader has strong emotions with

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workers and uses different kind of strategies to build his reputation under his followers and selects appropriate teams through his reflection of personality and appeal. (Jay A. Conger, 2000).

It becomes necessary in situations where honesty of a company comes into question, as nature of charisma is being unique, so in unusual circumstances this unique and special form of leader with his charismatic hierarchical framework and this leads to such activities, movements which are not happening every day and are rare. The pure nature of charisma ignores routine life and has clashes with traditional order or same authority, they act like a change agent in a company. (Max Weber, 1964) Moreover, describing it more precisely that they work as an innovative force within a company.

As a Ceo of Amazon "Jeff Bezos" is known to be a charismatic leader by nature (Andriopoulos, 2017) and through his great vision, he got the capability to motivate his followers on the vision of becoming highly skilled and great performing organisation globally. (Albert J Mills, 2007). This means that Bezos leadership attributes are equipped in gaining the motivation of his employees, so that to achieve company's objectives. For instance, Bezos has changed the structure of Amazon.com from being an online book seller and extended to join a variety of different products such as food supplies, innovative products. (Keller, 2019)

## **Laissez Faire Leadership**

This is a type of leadership in which individuals are given freedom and autonomy to make decisions, and leaders rarely participate in any decision making, employees are completely responsible to perform their duties and fulfil their tasks, there is no restrictions from leaders nor any kind of orders to follow. (Bass, 1985) (online.stu.edu, 2018). Subordinates are responsible for making decisions. As the leader does not participates or ignores the authority of controlling his followers and there is no vision and lack of clear mind set for goals on how their individuals or teams performs, and this leads to a lot of pressure on employees. So, therefore these leaders rely on some loyal and motivated individuals to get work done. Leaders have no interest in the development procedures for employees as they think workers can manage themselves. (Albert Puni, 2014)

For example in Amazon this style can be used in research and development phase of the product, these leaders are mostly engaged in innovative aspect of business. The main aim is to modify or improve products or reshaping them through trial and error. (online.stu.edu, 2018) In Amazon, these leadership styles are often adopted which are:

- Transactional Leadership
- Transformational Leadership

## **Transactional Leadership in Amazon**

This aspect of leadership includes the system of exchanges in which both the managers and their followers impact each other equally so that both of them acquire something of significant worth which benefits both. (Yukl, 1981). They engage their employees in a relation of shared reliance in which the commitments of two sides are mutually recognized and praised. Under these circumstances, leaders are highly dominant in doing what the leaders' need that must be

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in the favour of their employees. Successful transactional leaders should regularly satisfy the desires of their workers. In this way, this leadership authority is dependent on the leader's skills to meet and react on their employees changing desires. (Kellerman, 1984)

Rewards and appraisals are often related with the achievement and results delivered by employees. (Burns, 1978). These leaders satisfy their followers by appraising them in the most ideal method for recognizing their wants. These are the individuals who establish objectives for their employees, assign tasks and getting it completed and then rewarding those who executed their work better and punishing who didn't worked out well. It is an efficient style which further enhance the inspiration of employees to be more productive in accomplishing the goals for a company. (Zaleznik, 2004). As obtained from research (Stone, 2014) transactional leader has a strategy of leadership that entails on employees reaching short term objectives or goals and uses a reward or punish way to carry this out in this way or strategy (Ingram, 2019). Bezos management style is more linked to authoritarian style as he is into the idea to adopt the amazon way of working. Bezos may be viewed as task oriented as he priorities the notion of his employees looking forward to meet customer expectations and following leadership rules of the company.

(D'Orazio, 2015) Indicates that the company amazon had a system of ranking employee's monthly performance and releasing the ones with the lowest ranked scores. Even with worst cases employees who are suffering illness or grieving for example Bezos active leadership style seems to deal with this strictly but hardly not taking this into account. (Hughes, 2014). Apart from this not only this since he beliefs as well that harmony isn't that much of consideration, he also places a disagree or commit where employees are forced to be direct to their colleagues if they disagree with their ideas Bezos have bought a culture using the idea of high performance and notoriously being confrontational which impacted in a toxic working environment that lacks the idea of leadership (Jodi Kantor, 2015) (Stone, 2014)

## **Transformational Leadership in Amazon**

These leaders urge individuals to perform more than needed, they are proactive and assist their employees to accomplish surprising objectives. (John J. Sosik, 2002) (JohnAntonakis, 2003). These leaders participate in a specific set of practices, values, behaviours etc. These leaders develops a situation in which followers are inspired and empowered. (Jung, 2003) These leaders centers around more on core social attributes and shows up whenever a difficult situation arises. (Bass, 1985). They are the role models of honesty, decency, set clear objectives, have exclusive standards, offer help and appreciation. (Pierce, 2008) (Bass, 1985). They listen and understand carefully the desires of their employees and may give them certain duties to assist them in facing personal challenges. (Bernard M. Bass, 1993) (Piccolo, 2004) (Northouse, 2007). It has been mostly argued that these leaders give admiring response to their followers, which therefore inspires them to show more efficiency, provide new ideas, and urging them to solve conflicts. (Bass, 1985). As the workforce is inspired and are working in a supportive environment, this will lead to great efficiency, higher productivity which will further enhance the company's performance and higher profits.

## **Creating Innovative Culture and Building Trust Through Effective Leadership in Amazon**

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As culture is seen as the most crucial aspect of company therefore, the culture of a company is significantly influenced by innovation and the company's potential to encourage a strong innovative culture. (Sawitzky, 2006) To support and further strengthen a culture of advancement, it is necessary first to create a friendly-environment where individuals don't hesitate to contribute. (Anthony, 1990). Leadership is a key determinant in improving company's vision as it assists in creating a risk-free environment where workers feel more pleasant and take interest in creative work. (Shung J. Shin, 2007) In addition (Kara Arnold, 2010) stressed that inventive work is the most prominent leadership quality. Having a good connection between leaders and followers creates a positive impact on followers' development. (JEFFREY S. YOUNG, 2006)

The importance of leader's conduct for innovative thoughts is additionally understandable as by sharing power and giving opportunity to creative workers which brings in new ideas, are found progressively exceptional in transforming of new ideas into inventive behaviour. (Jeroen P.J. de Jong, 2007). Leaders are considered as game changers which consistently meet the wants, expectations and worth of company which builds the quality of effective culture. (Michael W. Grojean, 2004). One of the most critical aspect is situational leaders or change-based leaders which includes activities for example, creating and conveying a vision for transformation, empowering inventive ideas and taking possible risks. (Gary A Yukl, 2006) Building trust in group members is critically essential for the projects, because these group workers are more reliable on their partners rather than their leader for the performance and expectations. (AC Fernandes da Costa, 2001) Sharing of information in a group is additionally liable to be influenced by team members' values and sentiments about one another, particularly their trust in one another. In reality, having belief in the group is mostly related with higher levels of information sharing. (Daniel Z. Levin, 2002)

It has been founded by (George Farris, 1973) that leaders who keep up access to communication open develops the concept of trust in the group, for instance, how the information developer assembles the two parts of dependence and disclosure-oriented trust in the group pursue. Leaders who contribute their knowledge and builds the ability of the group, and start inventive plans in the group, will thus expand the group's in its fitness and capacity, and furthermore individual's readiness to depend in the group.

These practices influence group member's general thought about the informative resources accessible in the group and the degree to which the group is reliable. Believing in the ability and competency of the group likewise boost the follower's eagerness to unveil their ideas, thoughts and emotions regarding the projects for better benefit of the group. At the time when team is seen as extremely active, individuals will be progressively inspired to put their effort in the group and intentionally reveal personal and business related data to increase its operations.