

What's Your Business Management Style?

by Lee Polevoion February 13, 2013

Michael Scott, who served for six years as regional manager of the fictional [Dunder Mifflin Paper Co.](#), considered himself to be an outstanding boss. Did Michael want to be feared or loved by his employees?

"I want both," he said. "I want people to be afraid of [how much they love me!](#)"

The business world generally recognizes four basic management styles. Each one sets the tone within a company, and it usually reflects the business owner's or leader's personality. Which of the following best describes *your* management style?

Autocratic

An autocratic leader insists on having control of all important decisions, with little or no input from his or her employees. This [type of absolute power](#) comes naturally to some entrepreneurs, such as Apple's [Steve Jobs](#) and Microsoft's Bill Gates, whose unquestionable success demonstrates the best results from wielding absolute power. However, people who work for autocratic leaders often feel neglected and resentful, which can lead to poor workplace performance and morale.

Paternalistic

This management approach is also fairly dictatorial, but the boss claims to care about both the business and the people he or she employs. (This is where Michael Scott fits in.) The paternalistic leader, or "father figure," accepts input from employees; however, in the end all decisions remain his or hers alone. Dave Thomas, the late founder of Wendy's, embodied this management style.

Democratic

Input and consensus are key elements of democratic management: Everyone gets a voice in the decision-making process. This collaborative approach, which sometimes results in "leadership by committee," often boosts employee morale and provides [effective solutions to business problems](#). Decisions in which all parties are involved often makes their implementation easier and more universally accepted. Mark Pincus, founder and CEO of Zynga, the online gaming company, wants to make everyone who works for him ["the CEO of something."](#)

Laissez-Faire

Leaders who embrace laissez-faire management favor a hands-off approach to decision-making, which works best [when employees are highly motivated](#), experienced at what they do, and ready to assume responsibility. In the wrong hands, this approach results in chaotic management and low productivity. Warren Buffett, CEO of Berkshire Hathaway, is [an enthusiastic proponent](#) of laissez-faire management.

Sir Richard Branson, founder of the Virgin Group, delegates virtually all of his business decisions to his team, preferring to “dive in occasionally.”

A fifth management style known as “transformational leadership” is encountered more infrequently than the four basic styles, but — as illustrated by such leaders as Sam Walton of Wal-Mart and Jack Welch of General Electric — it can [dramatically change business and culture](#). These passionate, charismatic leaders inspire teams and employees to perform far beyond expectations.

Successful business leaders find a way to mesh their personality and management style to get the best results. By better understanding which kind of manager you are, you can adapt or modify your style as necessary and cultivate the most effective work environment for you and your employees.

Read more: <http://blog.intuit.com/employees/whats-your-business-management-style/#ixzz2LYka5tNJ>