

# The big picture

‘Management is efficiency in climbing the ladder of success; leadership determines whether the ladder is leaning against the right wall.’ (Stephen R. Covey *The 7 Habits of Highly Effective People*)

Many MBA (Master of Business Administration) programmes have the word ‘leadership’ in their titles, promising to make leaders of their graduates. But what distinguishes a leader from a manager?

A manager is tasked with the everyday running of a business to achieve business objectives. A manager may run a small store or a large corporation, but the essence of the tasks is the same. The work of a manager is characterised by delegating, communicating, following up on projects, planning ahead and reflecting.

A leader is typically also involved in some daily operations of a business. But a leader goes beyond the day-to-day operations to develop and pursue a vision, to motivate and to create trust in an organisation. A leader is more focused on the business’s vision and long-term goals.

As you know, this course is called Business Management, not Business Leadership. This is because, while many managers aspire to be and are leaders, not all of the topics in the course deal with vision and goals; they deal with the daily operations of a business.



**Figure 1.** A manager administers the daily tasks and responsibilities of a business; a leader pursues the business's vision.

Credit: Olivier Le Moal, Getty Images

In this subtopic, you will explore the key functions of management in a business setting. You will also investigate the key differences between managers and leaders and look at different leadership styles.

## Concept

### Creativity

One of the roles of a leader is to keep up with times and to ensure the business remains competitive. This involves strategic and creative thinking. Leaders should be able to inspire others and encourage creativity in the business. They should also be willing to be risk-takers. A leader should nurture the people in an organisation and find a style that works best for the organisation and its culture.