



Leadership

Meeting 6

The McDonald Story

- In the 1930s, American society began to infatuate with cars, the siblings Dick & Mac innovated by opening a special shop that could order from a car. The business achieved great success.
- Mainstay menus are hot dogs, fried foods (french fries), burgers, sandwiches, coca cola and various salads. This business exploded, the queue even longer until out the door.
- Innovation is done by removing orders from the car, focusing on customer walk-ups, reducing the menu list, focusing on hamburgers. The change became news in the media, and they got free advertising.
- In 1955, their business was stuck, the turnover remained, and many newcomers were imitating. Finally, the business suffered a setback.

The McDonald Story

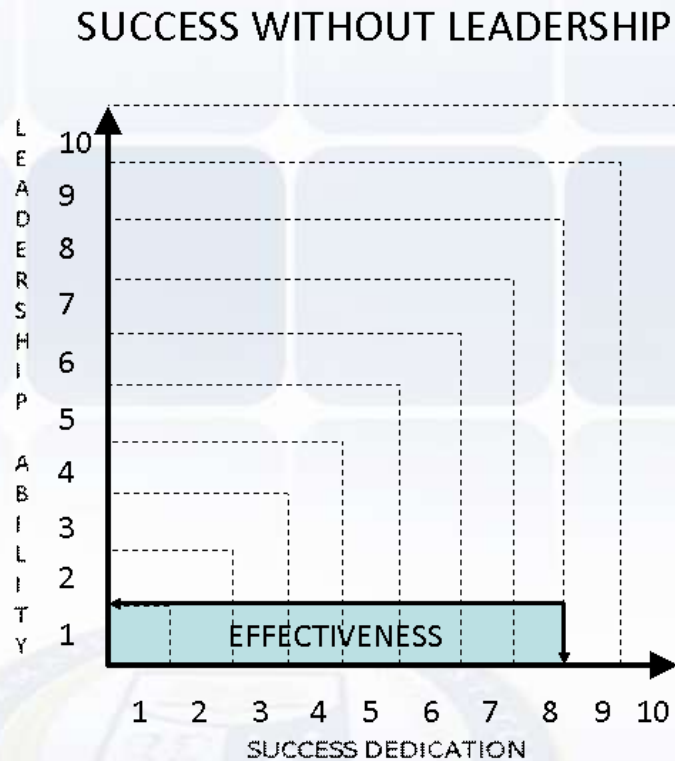
- It was Ray Kroc who poured all the concepts in the two brothers' heads into a McDonald's manual written system. The manual was purchased and he got the right to expand McDonald's business with the franchise concept!
- Within 4 years, Ray Kroc success opened 100 Mc Donald's branches with no capital at all. Everything is financed by the franchise.

What made
Dik & Mor's
business
stagnant?

What made
Ray Kroc
successful?

That is leadership.
Without
leadership,
entrepreneurship
will stop,
stagnant. With
business
leadership will
grow to be large
and broad.

Without Leadership, Your Dreams Will Be Shackled



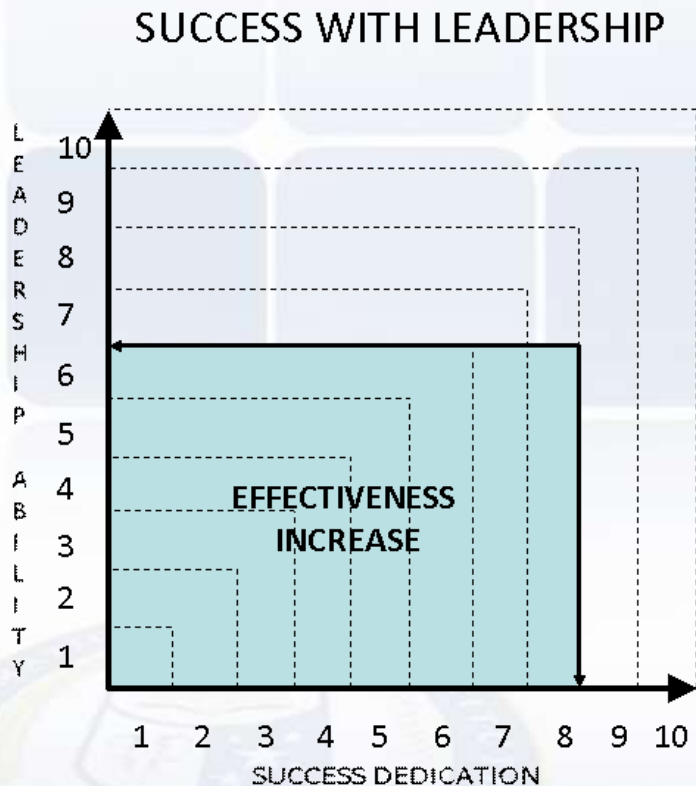
- By working hard, sincerity and honesty reach a score of 8.
- If you work 2x harder, you get a score of $\neq 10$ because you are tired, you have worked most of it. Your highest score is 8.5.

Success Without Leadership

Source: Maxwell (1993)

Limited business effectiveness !!

Without Leadership, Your Dreams Will Be Shackled



Success Without Leadership

Source: Maxwell (1993)

- Working with leadership is not merely entrepreneurship, it starts with delegation and starts using others as staff.
- Leadership scores now jump from 1 to 7. Effectiveness changes to $7 \times 8 = 56$. This means it increases from 8 to 56 or jumps 600%



"The more that you read, The more things you will know. The more that you learn, The more places you'll go." - Theodor Seuss Giese

Early Leadership Theories

- Early leadership theory focuses on leaders (character theory) and the way leaders interact with group members (behavioral theories). Six characteristics related to effective leadership.

Encouragement

The will to lead

**Honesty and
Integrity**

Intelligence

Confidence

**Work related
knowledge**

Early Leadership Theories

Democratic style

- Democratic style: involving subordinates, delegation of authority, encouraging participation

Autocratic style

- Autocratic style: dictating work methods, centralizing decision making, limiting participation

Laissez Faire style

- Laissez Faire style: gives the group freedom to make decisions

Followers Vs. Leaders

FOLLOWERS	LEADERS
In action (reactive)	Initiative
Listen, wait for an incoming call	Lead, pick up the phone
Wasting time, reaching to problems	Use the time with planning and anticipating problems
Spend time with people	Invest time with people
The calendar is filled with the schedule that has been ordered	Fill the calendar with forward priorities, actions

Leader Vs. Manager

LEADER	MANAGER
Updating / creating a new system	Maintaining the existing system, working with the system
Free, independent, creative, dare to make mistakes, but still disciplined	Obedience, discipline, does not give room for error
Dare to face challenges	Avoid risk
Orientation to the future in a different place, imaginative (be somewhere one day, learning from the future)	Orientation here, today (here & now, learning from the past)
The basis is creativity and character	Creating followers and "subordinates"
Not too much thinking about the position, more on the benefits, values, and responsibilities	The basis is competence and professionalism

Reptile Vs. Mammals

Reptile	Mammals
<p>Example: Crocodile</p> <ul style="list-style-type: none">• separate from the others (looking for food, preying alone)• Analytical• Quantitative• Independent• Attack• Focus on control• Trust the evidence• Depend on the audit results• Appreciate an official contract	<p>Example: Dolphins</p> <ul style="list-style-type: none">• Rollicking, forming groups• Emotional• Qualitative• Interdependent• Cooperative• Focus on habits• Believe in other things• Believe in delegation• Respect the community

Reptile Leader Vs. Mammal Leader

Reptile	Mammal
<ul style="list-style-type: none">•Cold-blooded•Discipline•Follow up•Do itself, be the commander of the executor•Analytical•Attention to detail•Logic, rational•Economic sense-cost-benefit, quantitative•Financial management•Verification, audit & control	<ul style="list-style-type: none">• Warm-hearted• Babysit• Empower others• Delegation• Development• Attention to context• Intuitive• Sense of warmth / togetherness, qualitative• Creative thinking communication• Trust, values

Current Model Leadership Approach

Transactional
Transformational
Leadership

- Transactional leader: a leader who guides or motivates followers to set goals by clarifying roles or task requirements
- Transformational leaders: leaders who inspire to act beyond personal interests for the organization

Current Model Leadership Approach

Visionary Charismatic Leadership

- Charismatic leader:
Enthusiastic and confident leaders whose personality and actions influence many people to behave in certain ways.
- Visionary leader:
Leaders who go beyond charisma because of their ability to create and express realistic, trustworthy and interesting visions of the future and improve the present situation.

Current Model Leadership Approach

Leadership Team

- First, the team leader is the liaison with outsiders,
- Second, team leaders are problem solvers.
- Third, leaders are conflict managers.
- And fourth, team leaders are coaches.

Effective Leader Behavior

- Give examples to employees
- Creating a set of values and beliefs for employees and passionately pursuing them
- Focus the efforts of employees towards challenging goals and continue to direct them towards those goals
- Provide the resources needed by employees to achieve their goals
- Respect and support employees
- Communicate with employees

Effective Leader Behavior

- Appreciate the diversity of workers.
- Celebrate the success of the workers
- Encourages creativity among workers
- Maintain a sense of humor
- Looking forward to the future

end

