Steve Jobs: An Effective Approach to Leadership

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# Table of contents

Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table of Contents</td>
<td>2</td>
</tr>
<tr>
<td>1. Introduction to Profile</td>
<td>3</td>
</tr>
<tr>
<td>2. Background of Steve Jobs</td>
<td>3</td>
</tr>
<tr>
<td>3. Critical application of three leadership theories</td>
<td>4</td>
</tr>
<tr>
<td>4. Reflective analysis on individual leadership qualities &amp; approach</td>
<td>7</td>
</tr>
<tr>
<td>5. Qualitative analysis of effectiveness as a leader</td>
<td>8</td>
</tr>
<tr>
<td>6. Conclusion</td>
<td>9</td>
</tr>
</tbody>
</table>
I. Introduction

This leadership profile on Steve Jobs is split into five parts. The first part contains a general background. The second part is a critical application of three theories of leadership. The third part is a reflective analysis on individual leadership qualities and approach. The fourth section is a qualitative analysis of effectiveness as a leader. The final section is a conclusion of the leadership profile.

II. Background of Steve Jobs

Steve Jobs dropped out of college after six months and he was just twenty one years old when he started Apple Computers with his friend Steve Wozniak in 1976. Jobs and Wozniak revolutionized the computer industry by making machines smaller, cheaper, and accessible to everyday customers. Apple Computer became a publicly traded company in 1980, with a market value of $1.2 billion on its first day of trading (Anon, 2014).

Jobs resigned as Apple’s CEO in 1985 to start a new software and hardware company called NeXT, Inc. The next year, he bought an animation company from George Lucas. The company later became Pixar Animation Studios. In 2006, the studio merged with Walt Disney, making Steve Disney’s largest shareholder. Apple bought NeXT Inc. in 1997 and that same year, Steve returned as Apple’s CEO. Jobs put Apple back on track with a new management team and altered stock options. According to The Biography Channel (2014), Steve’s “ingenious products such as the iMac, effective branding campaigns, and stylish designs caught the attention of consumers once again” (Anon 2014).

Apple introduced new products such as the MacBook Air, iPhone, and iPod. All of these products have showed the development of modern technology. ITunes became the second biggest music retailer in America in 2008. Sales from iTunes and iPod account for half of Apple’s current revenue. Apple has been ranked No. 1 on Fortune magazine’s list of “America’s Most Admired Companies (Anon 2014).

Steve Jobs’ leadership and innovation has helped make Apple one of the world’s leading companies. The success of the company would not have come without his leadership. His guidance led the company to invent revolutionary products in the technology industry.
III. Critical application of three leadership theories

Early efforts to understand leadership focused on the assumption that leaders are born, not made (Lussier and Achua, 2007). The trait theory has the idea that some people are born with traits that make them natural leaders (Daft, 2008). Researchers studied physical and psychological traits in an effort to identify a set of traits that all successful leaders possessed (Lussier and Achua, 2007). Self-confidence, honesty, integrity, and drive are some of the traits that are considered essential (Daft, 2008). Lussier and Achua (2007) explain that the Big Five Model of Personality “categorizes traits into the dimensions of surgency, agreeableness, adjustment, conscientiousness, and openness to experience.”

Steve Jobs was a complex leader with a distinctive personality that represented a key factor in the way he led Apple (Toma and Marinescu, 2013). His main personal traits included being passionate, a perfectionist, highly intuitive, charismatic, open-minded, persuasive, and inspiring (Toma and Marinescu, 2013). Jobs demonstrated traits of the Big Five Model of Personality. Lussier and Achua (2007) explain that “people strong in surgency personality traits want to be in charge.” Steve Jobs was insistent on having his ideas carried out at Apple (Howell, 2013). He frequently set impractical goals for product development but he had an unbelievable power of persuasion (Howell, 2013). Jobs had a weakness in agreeableness. He was a very tough negotiator with suppliers and the interpersonal style he used in assigning his desires often made employees angry (Howell, 2013). Jobs also had a weakness in the adjustment personality dimension. The way he acted toward employees made him seem emotionally unstable. Howell (2013) explains that employees developed a fear that Steve would fire them on the spot and “He would lash out unexpectedly, even at his closest friends, and commanded loyalty.” However, Steve Jobs was very strong in the conscientiousness personality dimension. He had goals for his company and made sure he achieved them. Toma and Marinescu (2013) said, “As a perfectionist, he never gave up and steadfastly pursued his dreams.” Finally, Jobs was strong in the openness-to-experience personality dimension. Steve Jobs was open-minded and willing to find new ways to innovate his products. His vision was to create “killer products” that would change the world and he was open to ideas that would accomplish this vision (Howell, 2013). Although some of Steve Jobs’ actions can be questioned from an ethical perspective, his determination, intelligence, and self-confidence clearly reflect Trait Theories of leadership (Howell, 2013).
Studies conducted at the University of Iowa concentrated on the leadership style of the manager (Lussier and Achua, 2007). The studies identified the autocratic leadership style and the democratic leadership style as the two basic leadership styles (Lussier and Achua, 2007). According to Daft (2008), “An autocratic leader is one who tends to centralize authority and derive power from position, control of rewards, and coercion.” Daft (2008), also explains, “A democratic leader delegates authority to others, encourages participation, relies on subordinates’ knowledge for completion of tasks, and depends on subordinate respect for influence.”

Researchers at Ohio State University conducted surveys to identify specific dimensions of leader behavior (Daft, 2008). The study resulted in two wide-ranging categories of leader behavior types: consideration and initiating structure (Daft, 2008). According to Yukl (2010), the consideration category “involves leader concern for people and interpersonal relationships.” Yukl (2010) explains, the initiating structure category of behavior “involves leader concern for accomplishing the task.”

Steve Jobs used the autocratic leadership style to ensure that his employees delivered products customers wanted. He was firm on having his ideas implemented at Apple and seemed determined to show his power (Howell, 2013). Jobs micromanaged the Macintosh project and insisted that it be ready for the market in twelve months (Howell, 2013). According to Howell (2013), “He interrupted ongoing work and was interested in every detail.” In 1985, Jobs tried to get rid of Apple CEO, John Sculley, but failed and he was stripped of any management role at Apple (Howell, 2013). He liked having power and being in control so he decided to start a new company, NeXT Computer. The characteristics of Steve Jobs and the way he behaved as a leader show that he was an autocratic leader.

Jobs was in the initiating structure category of leader behavior. He was concerned with accomplishing the task rather than being concerned about people and interpersonal relationships. He had his employees work long hours, days, and months to meet deadlines. However, his employees believed in his vision and accepted his ridiculous timetables (Howell, 2013). According to Howell (2013), Jobs was “temperamental, aggressive, and demanding and he radiated zeal for ‘killer’ products while instilling fear in his employees.” When Apple entered the cell phone business, Jobs continually reminded employees that they must produce stylish and functional products on time (Howell, 2013). Getting the task accomplished was the main priority
for Steve Jobs. Sometimes it meant being strict to employees but he had a vision for the company and made sure to do the tasks required to achieve that vision.

A two-dimensional leadership theory called The Leadership Grid was proposed by Blake and Mouton of the University of Texas (Daft, 2008). According to Brolly (1967), “Blake uses the grid to identify five broad types of managerial style.” Both the horizontal and vertical axes are from 1 to 9, with 1 being low and 9 being high. The horizontal axis measures the concern for results and the vertical axis measures the concern for people. Brolly (1967) explains, “The 9.1 managerial style embodies maximum concern for production.” It is concerned with the best way of doing the job (Brolly, 1967). Under this style, the boss plans and decides while the subordinates carry out their instructions (Brolly, 1967). However, the 1.9 manager puts attitudes and feelings first and believes that production will take care of itself (Brolly, 1967). Effective managers have a high concern for both production and people (Yukl, 2010).

Steve Jobs was described by The Economist (2011) as “at times, dictatorial.” The Economist (2011) explains, “His success was the result of his unusual combination of technical smarts, strategic vision, flair for design and sheer force of character.” Jobs would be plotted on The Leadership Grid between 5.5 and 9.1. His main concern was production but he also inspired employees to make products that would change the world. He was temperamental and demanding (Howell, 2013) which did not help employee morale. At other times, he had the ability to motivate employees (Howell, 2013). However, his primary focus was to create products and get them into the market.

The most widely recognized contingency theory is Fiedler’s Contingency Theory (Northouse, 2001). According to Northouse (2001), “Contingency theory is a ‘leader-match’ theory, which means it tries to match leaders to appropriate situations.” Different leadership styles need to be adapted in different situations (Lussier and Achua, 2007). Lussier and Achua (2007) explain, “One thing depends on other things, and for a leader to be effective there must be an appropriate fix between the leader’s behavior and style and the followers and the situation.” Fiedler’s theory labeled two behaviors as task oriented and relationship oriented (Howell, 2013). A task oriented leader is mainly motivated by accomplishing tasks and a relationship oriented leader is concerned with people (Howell, 2013). However, a leader cannot be both relationship and task oriented (Howell, 2013).
Steve Jobs was a task oriented leader. According to Howell (2013), “His leadership can be described by Fiedler’s Contingency Theory due to his precise directive leadership regarding product specifications and appearance and his lack of support and consideration for coworkers.” Being impatient, moody, and tough with the people around him were characteristics that Jobs was known for (Isaacson, 2012). However, his rudeness and roughness towards people was accompanied by a skill to be inspirational (Isaacson, 2012). Jobs was more concerned with accomplishing tasks than people. He wanted to get his products in to the market as soon as possible and change the world with his innovations.

IV. Reflective analysis on individual leadership qualities and approach

Leadership styles vary by situation. Steve Jobs’ leadership cannot be fully defined by one specific behaviour or trait. However, it can be said that he was task oriented and was more concerned about the job getting done rather than being concerned about people. It is also important to evaluate other characteristics of a leader such as charisma, motivation, and conflict resolution.

According to Daft (2008), “Charismatic leaders create an atmosphere of change and articulate an idealized vision of a future that is significantly better than what now exists.” The key to being a charismatic leader is optimism (Haney, 2012). Leaders with charisma have the ability to motivate and inspire people to do more than they usually would do (Daft, 2008). Leaders with charisma act as role models for followers (Howell, 2013). Charismatic leaders also have the desire to control and influence their environment (Howell, 2013). That desire often includes controlling and influencing other people (Howell, 2013). Steve Jobs had the characteristics of a charismatic leader. He had the ability to get people to do the impossible. He could anger and inspire small groups of engineers to do the unthinkable (Howell, 2013). Howell explains, “He was a charismatic speaker who captivated employees, potential employees, and crowds of technology buffs.” Jobs had the ability to excite people to buy into his vision (Howell, 2013). Jobs was clearly a charismatic leader because he provided a convincing vision of the importance of technology in society (Howell, 2013).

Motivation is another important characteristic of leaders. Anything that affects behavior in pursuing a certain outcome is motivation (Lussier and Achua, 2007). Leaders should get to know their followers and try to meet their basic needs. Steve Jobs motivated people with his
vision. People were inspired by this vision and wanted to accomplish it. The intrinsic reward he offered was self-fulfillment. He came up with the ideas for products and his employees helped him put them into play. Once they finished the products, they achieved the self-fulfillment because they were making products that would change the world (Howell, 2013). Jobs had the ability to “harness the most creative talent available and motivate employees to change the world (Howell, 2013).

Finally, conflict resolution is an important characteristic of leaders. Handling conflict constructively is an essential skill for leaders to have (Lussier and Achua, 2007). According to Lussier and Achua (2007), “Research suggests that managers devote approximately one-fifth of their time to handling conflict.” Jobs did not fear conflict, he cared about making his company the best (Michelson, 2011). According to Michelson (2011), “Steve Jobs challenged his own, his company’s and his country’s assumptions every day, and he deliberately debated his new ideas with smart people who would push back.” Jobs created conflict so that he could get ideas from other people. He resolved conflicts by turning them into something positive such as innovation.

V. Qualitative analysis of effectiveness as a leader

An effective leader possesses many qualities. According to Daft (2008), “To be an effective leader, on both dreams big and transforms those dreams into significant strategic action.” A leader has a vision and inspires people to achieve that vision. Good leaders are passionate about what they are doing and motivate followers to be passionate too. A leader takes charge and guides people in making a change. Finally, a leader believes that a dream can be achieved. They act on that dream and do anything to make it happen.

The research shows that Steve Jobs was an effective leader. His approach was different than most leaders but it worked for him. Although he was harsh on employees at times, he inspired them to achieve his vision that would change the world. Jobs was very passionate about what he was doing and motivated employees to have the passion as well. He believed that his products were revolutionary and could change the world. He drew the best out of people and did not worry about being liked (Michelson, 2011). Steve Jobs was not a traditional leader. He was original in the way that he ran his company and that helped him be a successful leader.
VI. Conclusion

Steve Jobs was an effective leader at Apple. He had the traits and behaviors that studies show are important for a leader to have. Jobs’ charisma was an exceptional trait in his leadership style. He had many successes and failures as a leader but he always kept his self-confidence. The success of Apple would not have come without Jobs. His leadership, guidance, and innovation helped make Apple one of the world’s leading companies. He had the drive to do anything that would help him in achieving his goal. Steve Jobs was an entrepreneur that had a vision and because of that vision, he was a great leader.
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