

By HANNAH L. MILLER

May 17, 2022

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Learn the 7 Distinct Leadership Styles

When it comes to common leadership styles in management, there's no "one-size-fits-all." Effective [leadership](#) begins with identifying your strengths and then using the unique advantages of your style of leadership to drive growth within your organization.

For example, Elon Musk uses the autocratic leadership style, labeling himself as a perfectionist and "[nano-manager](#)." However, this same leadership style makes him decisive, clear about what he wants to achieve, and motivational. On the flip side, a charismatic leader like Richard Branson has found success by leading in a much different manner. He tackles challenges with positivity, obsesses over building a strong team culture, and uses emotional intelligence to develop businesses people love working for.

This goes to show different styles work for different people. Nevertheless, each leadership style does have both its advantages and drawbacks. Learn which leadership style you have below and how to implement the others so you become more effective at leading your team and growing your business.

Style #1 – Servant Leadership

What is Servant Leadership?

[Servant leadership](#) is leading with a servant's heart. In essence, this type of leader focuses primarily on addressing the needs of their employees and customers. When serving teams, they operate with a heavy emphasis on learning and growth, practicing coaching leadership. For this reason, those under the guidance of servant leaders can expect to be nurtured but also challenged into achieving their full potential.

Being a servant leader goes far beyond oneself. So much so, that the goal is to multiply more autonomous leaders at every level. Furthermore, organizations operated by servant leaders ensure those joining in fulfilling the business's endeavors align with the company's core values. For example, the process of becoming a franchise owner at Chick-fil-A is rigorous and intensive. Approval can take up to a year, while only 5% of applicants are accepted. Owners must demonstrate, "humility, passion for service, compassion, and genuineness," [says CEO](#) and servant leader Dan Cathy.

Examples of Servant Leaders:

- John Mackey, CEO of Whole Foods Market
- **Cheryl Bachelder**, former CEO of Popeyes Louisiana Kitchen
- John C. Maxwell, Co-founder of EQUIP® and author of ***5 Levels of Leadership***

Attributes:

- Leads to serve
- Naturally develops a following
- Calls others to join their cause or mission
- Practices altruism
- Is a strong positive influence on people's lives
- Spends time teaching, empowering, and caring for team members
- Strengthens communities
- Fosters personal and professional growth through a coaching leadership style
- Develops a trusting team
- Exhibits a high level of **emotional intelligence**

Potential Weaknesses

Rather than lead with force, those who practice this style gain followers by being a positive influence. While people can work on servant leadership skills, they must have the heart for it. For instance, out of all the leadership styles, those who are money-driven or egocentric will find this particular one impossible to authentically implement.

Additionally, they must be careful to keep a balance between serving others and taking care of themselves. Without the latter, **burnout** can quickly ensue, thus affecting the company and its people in a variety of negative ways.

Style #2 – Democratic Leadership

What is Democratic Leadership?

One of the most popular types of leadership styles is the **democratic leadership** style. This approach encourages participation and collaboration among team members. The key to being a democratic leader is creating a **team culture** where individuals feel they are valued and important. Providing an open environment that prompts discourse through the exchange of ideas helps those practicing this style of leadership keep team members feeling engaged and motivated. Democratic managers and executives let people of all levels know their participation makes a difference in shaping the organization. In doing this, they develop a culture of voluntary contribution.

Examples of Democratic Leaders:

- Tony Hsieh, CEO of Zappos
- Larry Page, Co-founder of Google
- Indra Nooyi, former CEO of PepsiCo

Attributes:

- Encourages idea-sharing and creativity
- Facilitates open communication
- Lets employees **problem solve**
- Supports collaboration
- Develops an environment of mutual respect
- Provides team members with an equal chance to provide insight no matter their job
- Brings individuals' talents to light through coaching leadership
- Listens when others speak
- Responds with **emotional intelligence**
- Takes time to acknowledge and reward participation

Potential Weaknesses

While democratic leadership can be one of the most effective leadership styles, it isn't always a great way to manage time-sensitive decisions. In addition, this approach can potentially create tension between those with differing perspectives and opinions. Regardless of these factors, the pros typically outweigh the cons, resulting in an environment full of dynamic individuals who feel engaged at work.

Style #3 – Autocratic Leadership

What is Autocratic Leadership?

The authoritarian (or autocratic) leadership model requires explicit power over an organization or group. For instance, during the **decision-making** process, they rarely involve others. Due to high levels of isolated control, authoritarian executives are commonly associated with dictators. While decisiveness is one of the strongest characteristics of authoritarian, bureaucratic leadership, most companies with these leaders need a system of checks and balances that allows for a sustainable workplace.

Although this management style gets a bad rap, "Autocratic or authoritarian leadership is sometimes necessary, especially in situations where rapid, decisive action is required

under pressure," says CEO of Tribe Builder Media, Danielle Sabrina, in an article for *Entrepreneur.com*.

Examples of Autocratic Leaders:

- Martha Stewart, Founder of Martha Stewart Living Omnimedia
- Henry Ford, Founder of the Ford Motor Company
- John Chambers, former Executive Chairman and CEO of Cisco Systems

Attributes:

- Shows an aptitude for efficiency and decisiveness
- Favors bureaucratic leadership where they dictate processes, systems, and operations
- Acts as the top commander
- Controls decision making
- Separates themselves from employees
- Struggles to respond positively during personnel challenges
- Less receptive to other's thoughts, opinions, or ideas
- Expects compliance and respect from those doing their job
- Establishes structure, rules and forms of discipline

Potential Weaknesses

While traits like quick thinking and decision-making benefit companies, working solely within this framework is not an effective long-term way of managing people. "Autocratic leadership only works until it doesn't work . . . There needs to be a balance between strong leadership, autonomy, and empowerment of employees," Vivek Wadhwa for *Inc.com* explains.

With this in mind, incorporating qualities from the other less bureaucratic leadership styles helps instill a sense of balance. Similarly, business owners and CEOs who recognize an inclination toward authoritarianism can keep themselves in check by including diverse leadership styles on their teams.

Style #4 – Transformational Leadership

What is Transformational Leadership?

Leaders using the **transformational leadership** style inspire people through their clear vision. Additionally, they tend to excel in effective communication and focus on instilling purpose in employees and customers alike. Through the words they speak and the

example they set, they motivate their team toward being changemakers. Most of all, they are purpose-driven individuals who believe in maximizing positive outcomes in others' lives. Because they understand they cannot achieve their mission without their employees, they are also experts at developing excellent **team cultures** with high levels of job satisfaction.

Because of these factors, spiritual leaders such as pastors Steven Furtick, Craig Groeschel, and Andy Stanley serve as great examples. Additionally, co-founders of Ancient Nutrition, Josh Axe and Jordan Rubin serve as transformational leaders who help customers and employees make **positive shifts** in their lives. For instance, at Ancient Nutrition, there's an established leadership growth model for all, plus health and lifestyle benefits.

Examples of Transformational Leaders:

- Nelson Mandela, the former President of South Africa
- Malala Yousafzai, founder of the Malala Fund
- Reed Hastings, Co-founder and CEO of Netflix

Attributes:

- Speaks with conviction and charisma
- Describe overarching vision when communicating
- Delivers purpose-driven objectives targeting the company's mission
- Creates an atmosphere of creativity and innovation at work
- Implements a strong set of organizational values
- Develops work cultures that individuals love being part of
- Helps employees feel confident to experiment, **make mistakes** and even fail
- Values growth and development
- Encourages team spirit and working together
- Focuses on changing the world

Potential Weaknesses

While this type of person inspires change by communicating big-picture ideas, they are typically less skilled with details and processes. Because of this, they often need logistical minds on the team who can carry out the planning and implementation of company objectives.

Additionally, some of the challenges of this style of leadership are personality-based. With generally high levels of extroversion, charisma, and influence, this type of person can potentially lead through unintentional manipulation. These types of leaders can

benefit from having an accountability partner or [mentor](#) to offer insightful, balanced perspectives.

Style #5 – Transactional Leadership

What is Transactional Leadership?

Transactional leadership is a results-driven approach that follows a distinct organizational hierarchy. For example, this type of leader views their relationship with their employees as an exchange. Additionally, those practicing this leadership style create clear measures for success and failure. If individuals achieve the goals set by the organization, they are rewarded for a job well done. But if they fail, they will be held [accountable](#) for not meeting the determined mark. Out of all the common leadership styles, transactional leadership is most favorable within large-scale companies due to the desire to measure progress and performance.

Examples of Transactional Leaders:

- Bill Gates, Co-founder of Microsoft Corporation
- Vince Lombardi, NFL coach
- Howard Schultz, former CEO of Starbucks

Attributes:

- Holds an upper-level ranking position in the organization
- Creates short-term and long-term performance measures such as [KPIs](#)
- [Sets goals](#) and [delegates](#) tasks
- Communicates with the team about what work needs completion
- Monitors the progress of goal achievement
- Conducts employee reviews
- Provides rewards for hard work such as raises, promotions, time off, and bonuses
- Holds employees accountable for not reaching anticipated results

Potential Weaknesses

Transactional executives and managers tend to create work environments that are too rigid. When results are the sole focus, those on the team suffer. For instance, people need a working environment that allows room for mistakes, creativity, and innovation. While business leaders should be concerned with the overall health of the organization, this also includes employees' well-being. Also, putting too much weight on

predetermined measures of success doesn't leave much room for growth and development.

Those practicing this leadership style can improve by seeking to align employee motivating factors with rewards. Emily Lundberg, marketing manager for Prialto [adds in a blog](#): "Research shows that goal commitment increases when managers ask for employee input. Before launching new performance objectives, have a meeting with your employees where you discuss what you want them to achieve and give them an opportunity to share their ideas." Including employees in the goal setting and performance measuring process helps people feel empowered, rather than controlled.

Style #6 – Laissez-Faire Leadership

What is Laissez-Faire Leadership?

Laissez-faire, or delegative leadership, is a "hands-off" style that gives individuals freedom and control over their job. In French, the term roughly translates as "let it be." Because of laissez-faire leaders' belief in minimal regulation, employees within the company make their own choices with minimal input from the person guiding them. For example, under laissez-faire leadership, workers might decide they don't need to come in on Fridays as long as they complete their work on time. Due to their choice of limited interference, a laissez-faire leader likely wouldn't intervene. In essence, this leadership is the opposite of autocratic.

Examples of Laissez-Faire Leaders:

- Queen Victoria, Queen of the United Kingdom of Great Britain and Ireland
- Warren Buffett, CEO of Berkshire Hathaway
- Andrew Mellon, former U.S. Secretary of the Treasury

Attributes:

- Grants employees a high level of freedom when working
- Instills a sense of trust into the team
- Encourages problem solving and decision making
- Provides any resources or tools needed
- Limits input and guidance
- Decreases pressure on work production
- Encourages team to take responsibility for unsuccessful choices and actions

Potential Weaknesses

Laissez-faire leadership can be good for those who have employees with a track record of great self-management, but it isn't suitable for all business models. Furthermore, if the team isn't full of highly-driven, qualified self-starters, the company will suffer. In fact, some people do not consider laissez-faire as a style of leadership at all.

Style #7 – Charismatic Leadership

What is Charismatic Leadership?

Those who exhibit this dominant style are driven, influential, and determined to see their life mission come to fruition. As skilled orators with a distinct vision, they inspire the mobilization of efforts toward a collective cause. While very similar to the transformational style, the charismatic style primarily motivates others through emotional connection. Dr. Ronald Riggio for *Psychology Today* explains, "Charismatic leaders are essentially very skilled communicators . . . They are able to articulate a compelling or captivating vision, and to arouse strong emotions in followers."

Examples of Charismatic Leaders:

- Martin Luther King, Jr., minister and civil rights activist
- Oprah Winfrey, chairman and CEO of OWN
- Winston Churchill, the former Prime Minister of the United Kingdom

Attributes:

- Communicates a powerful vision
- Connects to their audience's emotions when speaking
- Uses storytelling and [persuasion](#) when sharing their message
- Creates [positive beliefs](#)
- Inspires action
- Focuses on outcomes
- Keeps employees engaged by asking questions
- Listens intently

Potential Weaknesses

One drawback of this leadership style is that it can quickly burn out employees. Charismatic executives' dedication and resolve to their mission will likely never match those being managed. This is why it's important to keep [employee recognition](#) and appreciation at the forefront of interaction with employees. For example, create a system of rewards for achieving short-term and long-term milestones that makes

people feel acknowledged for their work. Additionally, launching initiatives in realistic, measured steps also prevents [burnout](#), fatigue, and disengagement.

When emulating [charismatic leadership](#), understand this might be a challenge for those who don't naturally have this personality trait. Regardless, it is a learned behavior people can develop by having charismatic influences in their lives and educating themselves about it.

Using Different Leadership Styles

Even though [Elon Musk's leadership style](#) is autocratic, he isn't just a rigid, controlling, one-dimensional leader. He shows other types of leadership, carrying many of the traits of a transformational leader who inspires his team to reach huge goals and change the world. It goes to show, the best leaders are ones who use the top characteristics from *all* of the common leadership styles.

Understanding the seven leadership styles above helps business owners, executives, and managers recognize their strengths and weaknesses. This equips leaders to more effectively guide their teams.

Start expanding your leadership skills today by:

1. Writing down a list of areas requiring progress within the company.
2. Looking through the bullet points of each of the dominant leadership models.
3. Classifying each issue with a leadership style that could help.
4. Analyzing any patterns. For example: Are there several problems tagged "transformational leadership" or "delegative leadership"?
5. Once realizing where you could improve, make it a point to learn more about these individual types of leadership.
6. Finally, practice emulating them with your team.