

PURPOSE

# MANAGEMENT STYLES



VIDEO  
TRANSCRIPT  
SIX



**COACHING ACADEMY SPECIALIST**  
Where Small Businesses Grow

## Video Transcript Six

### Management Styles

We're now going to talk about management styles, and the reality is that you certainly have got one yourself.

**There are four generally accepted different management styles.**

And it is right and proper that you understand which one it is, which is your style.

This will enable you to choose how to adjust it as and when your business develops and to suit your needs as you grow and develop within your own business.

So of the four styles the first one is called **Autocratic**, second is **Democratic**, the third one is **Laissez Faire**, and the fourth one is **Training and Development**.

And for certain, you naturally fall into one of those four, but it is important that you're aware which one it is.

The Autocratic style is the one where the business owner is so sure of himself, he's so self-confident, he's so certain about the way he wants the job done that he doesn't need the input from anybody else. He is autocratic in that he makes the decision, he decides how it should be done, he goes out and tells the troops and tells them to get on with it, "Just like I've said."

And that works for certain, but he needs to know for certain how he's doing it and how he wants it done. But the Autocratic style works because it comes across with great confidence and strong leadership where you get people to just toe the line and do it just like I say, and that can indeed work.

When we talk about the Democratic style, we're talking about a business owner whose style of managing his business needs to be able to turn to his staff and always appear to involve them and engage them in making decisions before he finally makes the decision himself; where he will ask their opinions, seek their opinions, and make them feel involved.

That's generally considered Democratic, where he seeks their opinions, then makes a decision based on all of their input. And that's a pretty popular style of management.

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### Management Styles/Continued....

The third style is Laissez Faire. It also works.

Laissez faire is when the business owner decides what it is he wants to do, and he hires the staff and lets them get on with it.

It sounds like it can be reckless sometimes; not when the business owner has selected the right people and gives them the right inspiration and the right confidence and gives them the freedom to make their own decisions to get on with it.

But he must, critically, have the right people who can accept responsibility and know exactly what they're doing, understand his core values. And it might appear that he's indifferent to, when in fact, no, he's not. He's critical about the serious issues.

**But Laissez Faire can work well with the right people with the strong leadership in terms of outlining what it is the manager wants them doing.**

And the fourth one, which is the one that's the most popular, and it's the one that's the easiest to understand, which is called Training and Development.

And that is where the business owner takes on the role and takes on the view that he will hire staff. And from the outset, he understands and accepts that whatever their CV says, and however accomplished they are and however much experience they've got, he will understand from the outset that he has to train them to do the jobs which for certain are unique to his business. And that's fundamentally important to him that they're trained to do the job his way.

The second thing, which is also incredibly important, that he takes on the view that he needs to develop the staff. He doesn't just hire the staff to do a particular job and trains them in that job.

He also takes an active role in helping to develop those staff. And with that commitment, that is what endears the staff to the business owner, because they contribute and they attribute a great deal of their personal development to that business owner who's taken a unique and personal interest in their welfare and in the success and the personal development of that individual.

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### Management Styles/Continued....

So it can be a really, really worthwhile way of growing your business when the business owner takes on the view of, "I will hire them, I will train them, and I take the responsibility to helping them develop as individuals so that somebody who might come in at the lowest grade in the business can finish up on the board of directors with a very responsible role running a division within the business.

**So those are the four key Management styles: Autocratic, Democratic, Laissez Faire, and Training and Development.**

**DON'T FORGET TO WATCH THE  
"MANAGEMENT STYLES" VIDEO.**