

Unit 1: Principles of Management and Leadership

Unit reference number:	R/506/2070
QCF Level 5:	BTEC Professional
Credit value:	7
Guided learning hours:	24

Unit aim

This unit will study leadership and management theories and principles, leadership styles and motivating and managing performance.

Unit summary

Successful businesses need leaders to provide them with direction and purpose and managers to ensure that business activities allow the vision to be fulfilled and goals achieved.

In this unit you will learn about the theories that have shaped the understanding of leadership and management and how these ideas have provided a guide to action for managers and leaders who secure success for their businesses. Consideration will be given to leadership styles and how and why they are used and the extent to which they are effective. Styles have to be tailored to different purposes and situations; what works in the police service may not work in a software business starting up and vice versa. Managers and leaders can motivate and empower staff to work effectively to contribute to business success. In some cases business leaders are revered for the ways in which they inspire their employees by articulating mission and goals of the business. More traditionally a reward system is used and rewards can be tailored to motivate specific groups and particular individuals. Reward systems are one facet of performance management. Other techniques are used to develop employees' performance to ensure that the work they do contributes to the achievement of business goals.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand leadership and management theories and principles	1.1 Characterise the concepts and nature of management and the function of leadership 1.2 Evaluate concepts and definitions of leadership and their influence on management 1.3 Evaluate the influence of effective and ineffective leadership and management on team behaviour and business performance
2 Understand leadership styles	2.1 Analyse the characteristics of different leadership styles 2.2 Evaluate the suitability of different leadership styles for different purposes and situations 2.3 Evaluate the factors that affect the suitability of different management styles 2.4 Evaluate the ethical dimensions of leadership styles
3 Understand motivation and empowerment	3.1 Analyse the relationship between job satisfaction, commitment, motivation, empowerment and business performance 3.2 Evaluate the implications of motivation and empowerment for an organisation's structure and culture 3.3 Analyse the implications for employee relations policy of a strategy that empowers a workforce 3.4 Analyse the principles underpinning a reward strategy

Learning outcomes	Assessment criteria
4 Understand the management of performance	4.1 Assess approaches to performance management and appraisal 4.2 Assess the factors involved in managing a work-life balance and their implications for individuals 4.3 Evaluate the use of tools and techniques to measure human resource interventions 4.4 Identify areas for improvement through reflection on their own practice

Unit content

1 Understand leadership and management theories and principles

Leadership and management: leadership principles; strategic vision creation; mission; aims; inspiring others; influencing others; establishing culture; establishing structure; determining policy framework; providing direction; leadership theories e.g. trait theory, behavioural theory; transformational leadership; management principles; implement vision to achieve objectives; plan; co-ordinate; monitor; control; optimise; management theories e.g. scientific management (F W Taylor); human relations (G E Mayo); behavioural e.g. D M McGregor); systems theory (L von Bertalanffy), contingency (F E Fielder); chaos theory (T Peters); differences between management and leadership

Business performance: improving business performance; developing and leading; effective management of resources; innovation; implementing change, reviewing objectives; reviewing performance; stakeholder engagement; negative impact of ineffective leadership and management e.g. loss of competitive advantage; stagnation; decline

2 Understand leadership styles

Leadership and management styles: management and leadership style: e.g. autocratic, charismatic, persuasive, participative; influences on style e.g. organisational culture; values of managers/leaders; emotional leadership styles e.g. D Goleman Six Leadership Styles, Hay-McBer Emotional Competence Inventory, V Dulewicz and M Higgs Leadership Dimensions; R Blake and J Mouton's Managerial Grid; differentiation between management and leadership styles in given situations adapting management and leadership styles in given situations; impact of styles on decision making

Ethical dimensions: ethical issues; corporate governance; responsibility; accountability; moral hazard; external factors e.g. legislation, codes of conduct; social obligations; corporate citizenship; internal e.g. ownership model; values; vision; mission; culture; sustainability; leadership and management responses

3 Understand motivation and empowerment

Motivation: purpose e.g. productivity, engagement, commitment, job satisfaction; theories of motivation; sources of motivation (intrinsic, extrinsic); content theories e.g. A Maslow Hierarchy of Needs, D M McGregor Theory and Theory Y, F Herzberg Motivation-Hygiene theory, C Alderfer Existence, Relatedness and Growth (ERG) theory; process theories e.g. V Vroom Expectancy theory, R House and G Dessler Path-Goal theory; F Heider Attribution theory; E Deci and M Ryan Self-determination theory; motivational techniques e.g. rewards (financial, non-financial), praise, encouragement, recognition, celebration of achievement, clear goals, feedback, learning and development

Empowerment: delegation (power, authority, tasks, decision making); impact of structure (flat and matrix structures, lines of management, reporting lines, communication channels); impact on culture (autonomy, responsibility, decision making, accountability, motivation, job satisfaction); productivity gains; support business objectives

Reward strategy: purposes e.g. recruit, retain, remunerate; engage, motivate; productivity; short term rewards; long term rewards; employee recognition; link rewards to business results; financial rewards, non-financial rewards; external competitiveness

4 **Understand the management of performance**

Performance management: purpose; improve employee performance; improve team performance; improve business performance; performance plans; performance indicators e.g. productivity, output, attitude, commitment; gathering performance information; appraisal; causes of effective performance and underperformance; review; rewarding good performance; remedying poor performance e.g. mentoring; counselling, training, development, discipline, termination of employment

Personal development: work-life balance; personal development plans; professional development plans; implications; resource requirements; targets; milestones; review; reflection

Essential guidance for tutors

Delivery

For this unit, tuition for the learning outcomes lends itself to flexible delivery. Tutors have the opportunity to use as wide a range of teaching and learning strategies as possible, including lectures, discussions, seminar presentations, case studies, video clips, internet research and library resources.

Tutors can illustrate points with reference to examples of businesses that demonstrate best practice in respect of management and leadership. Many learners will use self-directed study together with the expertise and skills they may have developed in a career and be able to reflect on their experience of management and leadership.

To introduce the unit and learning outcome 1, it could be useful to have a group discussion on the term 'leadership' and the differences between management and leadership. There are many views that leadership is different from managing and learners can work in small groups, research articles to be presented to the whole class and debated. Tutor input on management and leadership styles can lead into learner discussions comparing similarities and differences and consider their own management/leadership style. For learning outcome 2, learners could be shown video/DVD clips of different leadership styles and discuss the types of situations within which the different styles would be effective and ineffective. Learning outcome 3 could start on a discussion on the relationship between empowerment and motivation and its influence upon an organisations paradigm, linking in performance management and work life balance from learning outcome 4.

Assessment guidance

Centres will devise and mark the assessment for this unit. Learners must meet all assessment criteria to pass the unit.

A range of assessment instruments can be used such as (but not confined to) reports, proposals, plans, presentations, question and answer, case studies, exercises, simulations, All assessment methods are acceptable provided the assessment enables the learner to produce relevant evidence that can be judged against the assessment criteria.

For learning outcomes 1 and 2 an investigative assignment could be used to review current approaches to management and leadership (AC1.3, 2.3, 2.4). The assignment could be in the form of a presentation with supporting materials for a group of management trainees recently recruited to a business. In the presentation there could be an exploration of management theories and principles as well as management and leadership styles (AC1.1, 1.2, 2.1, 2.2).

For learning outcomes 3 and 4 a case study could be used to consider performance management. Learners could produce a guide for managers in a business where performance management needed to be improved, and how, if at all, motivation and empowerment can influence performance (AC3.1, 3.4, 4.2, 4.3, 4.4).

Assessment can be for individual learning outcomes, for groups of learning outcomes within a unit and can be combined with the assessment of outcomes and criteria from other units. This latter would require an assessment map to identify where outcomes and criteria are assessed.

Resources

Books

Adair, J., *The Inspirational Leader: How to Motivate, Encourage and Achieve Success*, Kogan Page, 2005, ISBN: 9780749444563

Armstrong, M. and Baron, A., *Managing Performance: Performance Management in Action (Developing Practice)*, (2nd edition), Chartered Institute of Personnel and Development, 2004, ISBN: 9781843981015

Cameron, E. and Green, M., *Making Sense of Change Management: A Complete Guide to the Models Tools and Techniques of Organizational Change*, (3rd edition), Kogan Page, 2012, ISBN: 9780749464356

Gold, G., Thorpe, R. and Mumford, A., *Leadership and Management Development*, (5th edition), Chartered Institute of Personnel and Development, 2010, ISBN: 9781843982449

Journals

Management Today, Haymarket Media Group Ltd. has articles on management topics.

Websites

www.acas.org.uk – ACAS provide information on managing employee performance

www.managementhelp.org - The Free Management Library: information on leadership and management subjects

www.managers.org.uk - Chartered Institute of Management: practical advice on management issues with a range of online resources on management topics. Membership is required to access the materials.

Podcasts

The Bottom Line Podcasts and Downloads chaired by Evan Davies or Stephanie Flanders. The podcasts bring together current practitioners to discuss current business matters. Many podcasts touch on topics relevant to the unit. They can be searched through and downloaded from

www.bbc.co.uk/podcasts/series/bottomline/all. For example, the podcasts on Who's the Boss? And Self Improvement consider aspects of management and leadership.