



Leadership vs. Management

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This month, we continue a series on critical leadership skills for project managers. We discuss the differences between leaders and managers to illuminate what both roles bring to the table for successful project delivery. We describe the leader's role in managing change in organizations and teams, as well as the manager's role in helping teams cope with complexity, among many other important traits of each. Mastering the differences will help project managers and leaders get the most out of their teams.

Imagine you are in an organization where your project team is well-constructed and everyone knows his or her role. Status reports are shared on a weekly basis, and team members and stakeholders have a good idea of how the project is doing. Deliverables are progressing as planned and scope, costs, and risks appear to be under control. Suddenly, over the course of a week or two, changes in the business environment cause a ripple effect in the organization, and the team cannot cope with the sudden change. As a result, the project is cancelled.

For many readers, the above situation has probably happened before. Projects are cancelled all the time for reasons beyond anyone's control, such as changes in the external environment or sudden lack of funding or will to move forward. These situations can also stem from the condition defined by Harvard Business School Professor John Kotter in his article "What Leaders Really Do," when he argues that "Most U.S. corporations . . . are overmanaged and underled."¹

In Kotter's article, he defined a distinctiveness between leaders and managers, arguing that understanding the true functions of leaders and managers and their interactions with employees was a key to delivering success. In this article, we build on Kotter's work by describing critical differences between leaders and managers as they apply to project teams.

¹ Kotter, John P. (2001, December). "What leaders really do." *Harvard Business Review*. P. 3.

What is a Leader?

Last month, we briefly discussed the definition of a leader. Among the various definitions of a leader that exist, there are some strong themes. First, a leader is thought to be someone who can create a vision for others to follow. As a result, a leader is likely to have one or more followers who engage with the leader due to the trust he or she earns. No one has to follow the leader; in fact, any of the leader's followers could stop at any time. As long as the leader has a strong vision and maintains bonds through exhibiting trust, followers are likely to keep close.

What is a Manager?

In contrast to a leader, a manager can be thought of as someone with authority over a specific unit, division, or group of people. The manager's job is not to spread his or her vision and gain followers, but rather to ensure the smooth operation of the unit, division, or group. Rather than having followers, managers are more likely to have subordinates, or people who take and carry out orders. Also, rather than using trust to gain followers, managers are more likely to use power to make sure their orders are carried out and operations run smoothly.

Leaders vs. Managers

Kotter's article is one of the landmark articles on the differences between leadership and management. He argued that it was possible to excel as both a leader and manager, but that it was difficult and required a clear understanding of the nuances of each role². Kotter summarizes the differences by the following statements:

1. *Managers help their team cope with complexity, while leaders help their team cope with change.* Complexity that is not addressed leads to chaos among team members, so effective management is important in addressing issues that can lead to chaos. Effective management also brings consistency to processes. Effective leaders, on the other hand, help teams cope with the rapid change that is inevitable in the modern business climate and stay on the road to success.
2. *Managers set the plan and budget, while leaders set the direction.* A manager's duty is to set targets and goals, lay out the plan for meeting targets and goals, and allocate resources toward hitting the targets and goals. Leaders, on the other hand, develop a vision and the corresponding strategy to achieve it.
3. *Managers organize and staff a project, while leaders align staff to the vision.* Managers are responsible for building staff and reporting structures, training the team, and setting up communication and lines of authority. Leaders, meanwhile, tell people about their vision for success, ensure they understand it, and empower people to participate in achieving it.
4. *Managers solve problems, while leaders inspire the team.* Managers are responsible for comparing planned vs. actual performance and raising red flags when problems arise. They must make sure that quality lapses are corrected. Leaders, on the other hand, recognize and reward successes of the team.

² Kotter, John P. (2001, December).

Figure 1 summarizes Kotter's statements.

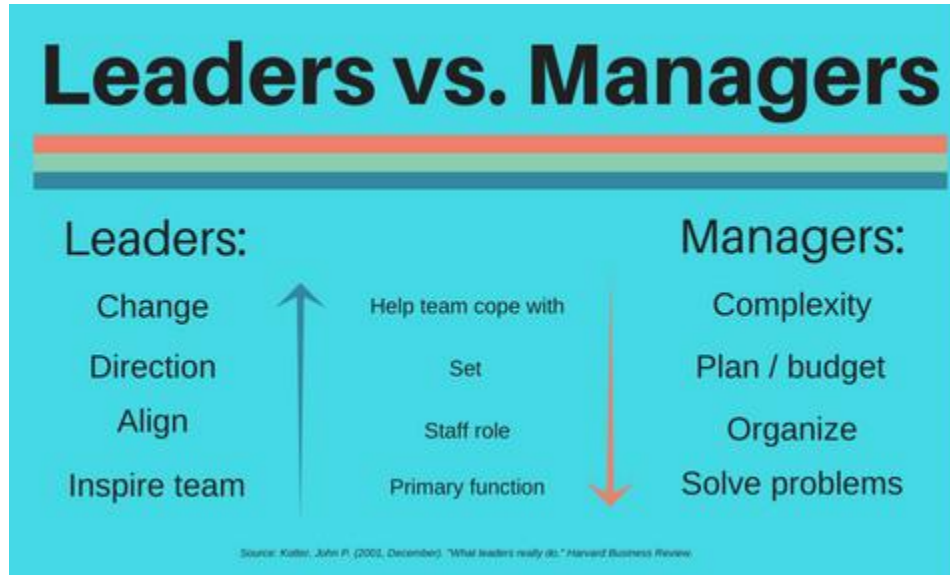


Figure 1. Summary of John Kotter's statements on leaders vs. managers.

As we can see from these statements, the work of managers is just as important as the work of leaders. Both managers and leaders contribute greatly to project success. As a result, project managers need to be able to use both management and leadership skills well in order to succeed. How to make best use of the differences between the two roles is the subject of the next section

Succeeding as Leader and as Manager

Determining how to utilize the differences between leader and manager is partly a matter of applying situational leadership, which we will discuss in the following months along with the six fundamental leadership styles. For a project manager and/or project leader trying to figure out how these differences apply on any given project, the answers to two questions can provide insight. First, what are the greatest needs of the project? For example, a project is falling off the rails and needs to be recovered. The most important leadership traits in this scenario are setting a new direction and aligning the team to it, while the most important management traits are helping the team cope with complexity and solving problems.

Second, what are the greatest needs of the team? For example, a project has just had a major change request approved and team morale is down because the team will have to do a lot of rework. The most important leadership traits in this scenario are helping the team cope with change and motivating them to do their best. The most important management traits, on the other hand, are setting the new plan and budget and organizing the team around the new direction.

Conclusion

In the scenario introducing this article, it is clear that the project was well-managed; however, there was no evidence of the project being well-led. As a result, when massive change occurred that had a ripple effect on the project team, the team could not adjust to the change and turn things around. While the scenario points to the importance of leadership, different problems could occur on a well-led but poorly-managed project. It is entirely possible that on such a project, the team could be aligned around a vision that is impossible to achieve with current organizational resources. Without an effective manager, the team and its leader would not realize this shortcoming.

Leaders and managers serve two widely different, but equally important, purposes. Without a leader or a manager on a project, it is likely the project would suffer. As we can see from the examples throughout this article, leadership and management are both important on any project. Leaders build a team through developing trust, while managers utilize the team through use of power. Leadership establishes the vision for project success and aligns the team toward the vision, while management establishes the plan for carrying out the vision and organizes the team to execute the plan. In addition, while management provides the framework for solving problems, leadership provides the framework for keeping the team aligned and motivated toward the goal.

By understanding the differences between leadership and management, project managers can then study which traits of leadership and management are most important in any given situation. They can then utilize the best of both modes to guide their teams toward success. Project managers can also use this understanding to develop a foundation for deploying situational leadership principles. Through this work, project managers become more effective project leaders.

Do you want to learn more about how to develop your leadership skills as a project manager? Join us for our [free monthly webinars](#). Our series on leadership topics continues in September with a webinar on this topic, [Leadership vs. Management](#).

References

1. Kotter, John P. (2001, December). "What leaders really do." *Harvard Business Review*.