

A collage of four overlapping images showing hands. The top-left image shows a hand in a blue sleeve. The bottom-left image shows two hands clasped together, one in a white hospital gown. The bottom-right image shows a hand in a blue sleeve. The background is white with a blue vertical bar on the right side.

# LI03: impact of leadership styles on innovation

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# Agenda

- › Traditional leadership characteristics
- › Leadership in terms of innovation
- › Dimensions of leadership
- › Different Leadership styles
- › Innovation oriented leadership
- › Conclusion



# Traditional leadership characteristics



Short term perspective



Plans and budgets



Risk-avoidance



Copying existing solutions



Stabilization



Control and bureaucracy, formal procedures and instructions



Supporting uniformity



Rationality invoking



Routine-oriented



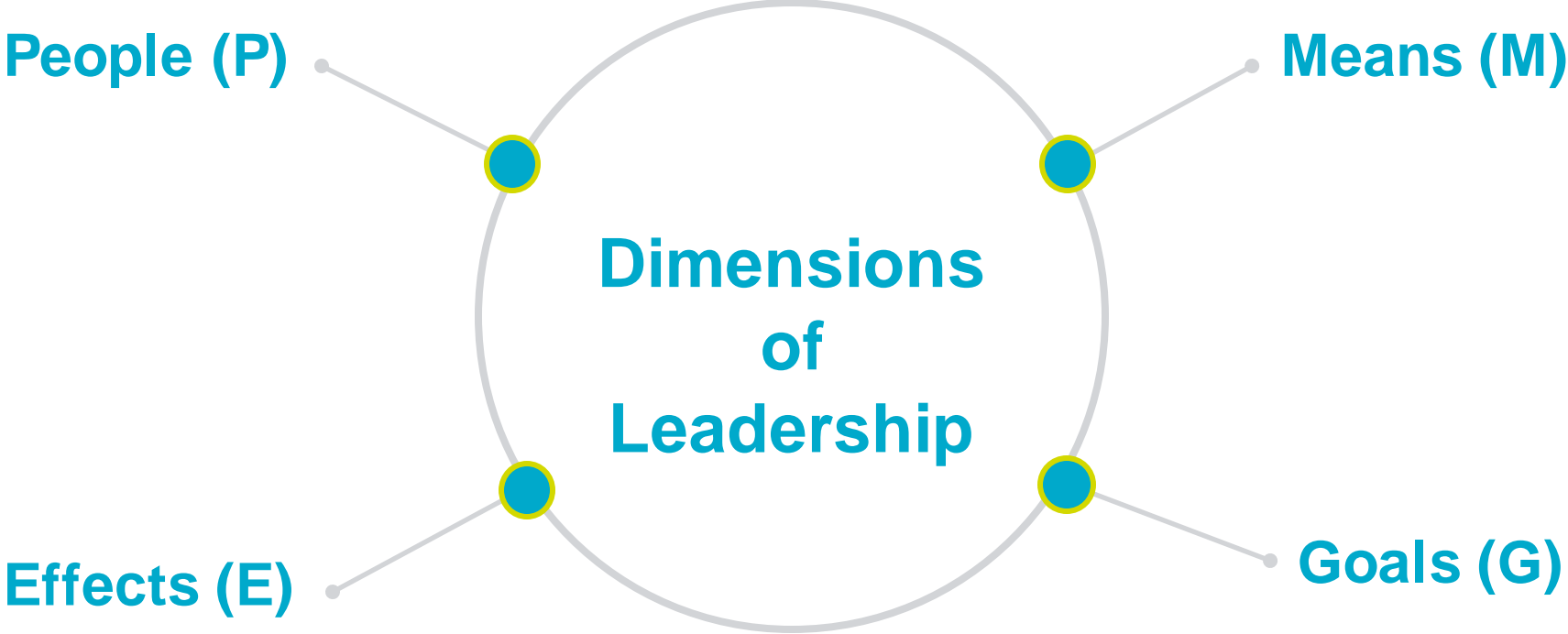
Employee substitutability

# Leadership in terms of innovation

- › Decisive role in enhancing operational creativity
- › Driving projects
- › Implementation
- › Overcoming resistance



# Dimensions of leadership



# Leadership style: Directive

- Leaders who provide direction and expect cooperation from team members

## Directive

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### People

- Direct

### Means

- Controlling
- Monitoring

### Effects

- Specific activities

### Goals

- Implementation

# Leadership style: Participative

- All members of the group work together to make decisions meaning shared influence on decisions

## Participative

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### People

- Consult

### Means

- Empowerment
- Involvement

### Effects

- Innovative
- Conflict

### Goals

- Product innovation

# Leadership style: Interactive

- Leaders who are proactive in seeking information and opinions from followers

## Interactive

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### People

- Delegate

### Means

- Empowerment
- Coaching
- Guiding

### Effects

- Enthusiasm
- Involvement

### Goals

- Unspecified positive effect



# Leadership style: Charismatic

- Leaders who use their communication skills, persuasiveness and personality to encourage people to follow them

## Charismatic

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### People

- Direct

### Means

- Visualizing a promising future
- Leader involvement

### Effects

- Positive Attitudes
- Innovative Climate

### Goals

- Execution shortfalls

# Leadership style: Transformational

- Leaders who inspire, motivate, intellectually stimulate and provide a positive work environment

## Transformational

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### People

- Consult or delegate

### Means

- Inspiring
- Coaching

### Effects

- Positive culture
- Innovative climate

### Goals

- Radical innovation

# Leadership style: Transactional / Instrumental

- Leaders with a clear definition and communication of work tasks with a system of rewards and consequences

## Transactional / Instrumental

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### People

- Direct

### Means

- Structure and processes
- Goal setting

### Effects

- Specific Activities

### Goals

- Incremental innovation

# Leadership style: Strategic / CEO Leadership

- Leaders who use their institutional power to initiate change that will create a viable future for the organization

## Strategic / CEO Leadership

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### People

- Direct or delegate

### Means

- Shaping the culture

### Effects

- Enhances followers' innovative capabilities

### Goals

- Innovation and Implementation

# Leadership style: Shared and Distributed

- Shared leadership focuses on the mutual influences among team members
- Distributed leadership focuses on the allocation of power

## Shared and Distributed Leadership

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### People

- Shared or distributed

### Means

- Leaders involvement
- Autonomy

### Effects

- High effort
- Innovative

### Goals

- Continuous innovation

# Innovation-oriented leadership



# Conclusion

- Many leadership styles have already been explicitly linked to innovation
- There is no one specific leadership style for innovation
  - Transformational leadership is not dominating or even all-embracing with regards to innovation
- Innovation stages and types have different demands on leadership
  - Effectiveness of different leadership styles is relative to innovation stages, types and specific element
- No one-size-fits-all solution
  - Relative to the specific innovation goal we are trying to achieve



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# Thank you

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