

## A Case study of Effective Leadership Style in Resolving Conflict: Agrotech Sdn Bhd

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### ABSTRACT:

*The case is written for MBA or senior undergraduate courses on Management and Organizational Behaviour. The case is written for MBA or senior undergraduate courses on Management and Organizational Behaviour, leadership or strategy implementation. The case can be taught towards the end of a Management course to learn about organization and its behaviour. This case can be used in the segment focusing on action and leadership.*

### Study level/applicability

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### Case overview

Despite being a good performer, Adam, an emerging leader in Agrotech Sdn Bhd (ASB), was fond of employing autocratic leadership style who insisted that his way of doing thing was always the right way. He sought little inputs from his team members. He believed that his approach was going to be sustainable until he was faced with the conflict affecting his two main team members Taufik and Hidayat who were supposed to work in a team to clinch a very lucrative supply contract from the Perak State Government. His willingness to change his leadership style especially in terms of managing relationship among the team member was proven to be one of the best decisions Adam had ever made in his working career.

## **Case Study**

Adam had just been promoted to be the Marketing Manager of Agrotech Sdn Bhd (ASB) where he was responsible to lead a team of six salespersons. ASB is involved in the sales and distribution of agricultural equipment. His promotion had apparently caused the sales team to be anxious and nervous given that Adam was known for his strong character and no-nonsense approach. Despite his aggressive style, he had become the darling of the management due to his ability to exceed the sales target given to him in the past three years consecutively. His success in closing many big and lucrative deals in the past had enabled Adam to climb up the corporate ladder rather fast, from just a sales person five years to become a manager now.

Based on his excellent track records, the management had assigned Adam with a new task to penetrate and develop sustainable market in the state of Perak and to be based in Ipoh. The assignment involved the setting up a regional office in Ipoh where he was supposed to supervise the six-member sales team under his charge. Upon getting the new task from the management, Adam called for a department meeting the following day to brief his team members on the new business venture. In the said meeting, Adam clearly explained to the team the three years business plan that the team was supposed to achieve. He also laid out the strategies on how the team was expected to execute the plan. Known for his autocratic leadership style, he sought very little inputs from his team on the new business plan. His sterling performance in the past five years made him believe that he always had the right strategies to achieve whatever goals that he had set. The good thing about Adam was that he had a strong believe in his ability and he had also strong conviction that nothing was impossible. His approach had caused some uneasiness among his team members as some of them felt that his goal was to robust and unrealistic. However, his message to his team was loud and clear, “you are with me or request for transfer to different department”.

Despite his hard-headed approach, he also made it clear to the team member on what they could gain in terms of rewards if the goal/target were achieved. In a nutshell, he was able to visualize clearly to the team the goal, strategies and reward of the new business plan. He was able to promise the reward to the team as he had earlier negotiated this with the management when they assigned the new task to Adam. The good reward really served as a motivation for the team to move to Ipoh and to work hard to achieve the target. Even though Adam sometimes could be very mean in his approach, he also liked to give acknowledgement and instant rewards to his team upon achievement of certain task through small gestures like pat on back with

phrases such as “good job” or after office “teh-tarik” session. This had made his team feel fired-up to work hard even if this could mean having to work long hours in the office.

Things went smoothly in the first three months in Ipoh until Adam was faced with a new challenge. Management had instructed Adam to work on new deal to secure a large supply contract with the State Government of Perak. He was promised a good bonus and promotion if he was able to close the deal. This new deal required Adam to pair two of his good team members Taufik and Hidayat, who had very different backgrounds and characters. Taufik, forty five years old, was known as a slow and steady guy but had a very excellent networking especially in the state of Perak. Because of his strong contacts he was able to secure a few but big and lucrative deals. Hidayat on the hand was like a copycat of Adam, young but very aggressive in his approach. Adam reckoned that he needed all the traits that Taufik and Hidayat had in order to secure the deal. One day, the three of them sat down to discuss the strategies on how to execute the plan to achieve the goal as time was the essence given that the competitors were also eyeing for the same contract. During the meeting, Adam could already smell the small animosity and rivalry between Taufik and Hidayat. Taufik insisted that they had to execute a very measured and diplomatic approach since the deal would involve dealing with high level government servants. Hidayat meanwhile demanded a very quick action plan since time might not in their favour given that they were considered quite late in joining the fray to secure the contract.

True to Adam’s expectation, his two strong men were not able to click well in executing the plan. On a few instances Taufik and Hidayat had nasty quarrels. Sensing that this could be a major hindrance for Adam to achieve his goal, he had to think of ways on how to resolve this conflict between Taufik and Hidayat. He strongly believed that if he could harness a good teamwork spirit between the two, they could become a force to be reckoned with. Adam conflict resolution skill was really tested this time, and he had only less than two months to close the deal.

Adam quickly studied the profiles of his strong men, and he found out that both of them actually had similar interest in doing fusion cooking. So, he decided to invite both Taufik and Hidayat for a private dinner in one of the good restaurants in Ipoh. During the session he purposely opened up casual conversations on cooking subject, and suddenly both of them became excited in telling Adam that they were good amateur cooks. Towards end of the dinner session, Adam threw an idea for both of them to show their cooking skills in Adam’s house and to invite the team members for a dinner. Adam agreed to sponsor all the raw materials

required for them to prepare the dishes. Taufik and Hidayat instantly agreed to their boss's idea. The dinner session with Taufik and Hidayat also taught Adam a lesson that it could be a good idea sometimes to break away from daily work routine and to indulge in non-work related matter as this was proven to be able to foster healthy relationship among the team members. He thought he was on the right track to resolve the conflict between two of his important members in his team.

The cooking session held in Adam's house the following week was really a turning point for the relationship between Taufik and Hidayat. The two were given the "assignment" to jointly prepare the main dish, and Adam observed that they displayed good cooperation in executing the cooking task assigned to them. Beside enjoying the sumptuous meal prepared by Taufik and Hidayat that evening, the team also enjoyed the camaraderie among all the team members. Adam really hoped that the excellent teamwork spirit could be continued in their working environment. The following week, Adam noticed rather a drastic change in the behavioural relationship between Taufik and Hidayat. Both of them had also proposed to Adam strategies on how they intended to approach the task of closing the deal assigned to them. Adam was impressed in the proposed action plan and quickly gave his endorsement. By then Adam realized that he could also gain valuable inputs from his team members to make his strategies to be even more effective.

Around six weeks later, Adam received the much-awaited news that ASB had been successful in securing the lucrative supply contract deal with the State Government of Perak. He quickly gave a call to his boss in Kuala Lumpur who was very happy in hearing the news. Adam was told that "good" rewards would be waiting for Adam and the team as promised. The deal would also mean that Ipoh regional office would be able to achieve the target for not only the current year but also for the following year given the contract would be for a period of three years, and subject to renewal for another two years if the performance was satisfactory. The team was elated with joy upon hearing the news as this would also mean that they would not face big problem in filling up their year end appraisal form. As a show of appreciation, Adam treated the team with expensive dinner that night and followed by a karaoke session.

The office work episodes which had taken place in the past two months also taught Adam another lesson that teamwork was no longer a choice but a necessity in ensuring success for any given task. He realized that for the teamwork to work efficiently there were three essential dynamics that had to be taken into consideration namely resources, relationship and results. Resources were basically the manpower that he had at his disposal, relationship

represented how team members worked together to achieve the results while results represented the outcome of an activity. His change of leadership style from someone who was very autocratic to a more considerate person basically emanated from his believe that while the quality of resources was an important dynamic to results, it was the relationship that played the most critical part in the eventual outcome.

Adam's ability to resolve the conflict between Taufik and Hidayat was important in enabling the company to win the lucrative deal which was also intensely contested by the other competitors. His change in the approach in managing relationship among the team members was also manifestation of how quality of relationship could determine how effectively people could translate resources into results. Meanwhile, after two years heading the regional office in Ipoh, Adam was promoted to be the Vice President, Marketing of ASB, and Taufik was in turn appointed to take over Adam's position.

### **Suggested Questions**

- i) What are two characteristics of autocratic leadership displayed by Adam? Give two benefits and drawbacks each of autocratic leadership.
- ii) Why is conflict resolution an important skill that needs to be possessed by a good leader?
- iii) Is Adam a transactional or transformational leader? Please discuss.
- iv) What are the three factors which made Adam's team effective and successful?

### **References**

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