



LEADERSHIP STYLES OF FOOD TRUCK BUSINESSES

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Abstract

The purpose of this study is to understand and observe the leadership characteristics applied to Small Medium Enterprise (SME) such as food truck businesses in Wellington Night Market to achieve and maintain a long-lasting success. The benefit of this study would be help the readers to understand the concept of leadership and leadership style in order to find the most effective leadership style for the food truck business model. Applying an effective leadership style will improve the performance and job satisfaction of the employees. The Wellington Night Market has been the researcher interest as the environment has not yet been explored. The culture that has been developed in Wellington where food truck has been spotlight in evening activities is the main factor Wellington Night Markets have been such a success. Wellington Night Markets also become a tourist spot where tourists can find local entertainments and great variety of food.

Keywords: Food Truck; Market. Wellington; Leadershi.

Introduction

In recent years, food and beverage industry has become more creative and innovative in the market. It has now become a trend to hangout and eat outside whether it's in a restaurant or in a park. People are now more aware with traditional food and exotic food from around the world. In this era, where technology plays big role in the society it also affects how food and beverages industry has grown to be more advanced and unique with its innovation, such as food truck.

Food trucks are one of the examples of Small Medium Enterprises (SMEs) which, SMEs are a large part of economy in New Zealand. The food truck businesses in Wellington is not new anymore. It is become a habit for Wellingtonians to spend their Friday and Saturday night at the Wellington Night Markets to enjoy the exotic foods and entertainment that are offered. Most food trucks at Wellington Night Markets are owned by family which sometimes caused an authority issue during delegating the tasks. They also tend to hire students to work part time for their additional staff during their business hours. The problem with hiring students is they are not fully committed at the job since they have other responsibilities and they can quit the job anytime.

Leadership is the most critical factor determining of food truck success. This is due to the fact that food truck owners hold many different roles and responsibility. Therefore, leadership style that is applied by the owner will affect the majority aspect of the business. Different leadership style could lead different results that would affect the commitment level and productivity of the staff. Ineffective leadership style is the current main issue of the business. It is difficult to delegate some tasks and responsibilities when the organisation is not practicing the right leadership style. All decision has to be made by the owner-manager most of the time, creating a confusion for the staff to take initiative or make decision when the owners are not around. This has caused the staff to be less committed and motivated to the job although proper training has been given. When the employees are less

committed and not motivated enough, it will create a disharmonise relationship between the employees, also employees might want to quit their job. In this case, owner-manager has major role in persuading and motivating the employees to work effectively and improve their performance.

1. Literature Review

2.1 Wellington Night Markets

Wellington is the capital city of New Zealand located in the North Island. Wellington is the second most populated city of New Zealand with around 204,000 citizens (wellington.govt.nz, n.d). Wellington is also known as the windiest city in the world (Mathiesen, 2015).

In 2011, Wellington was presented as 'The Coolest Little Capital City in The World' by Lonely Planet's Best Travel Guide Book. According to Lonely Planet, Wellington is best because of its location and places such as state buildings, parks, beaches, mountains, museums, unique hotels, multicultural restaurants, and shops (Ferry, 2014). The National Geographic (2017) website has featured Wellington as one of the best food cities in the world on their travel segment.

Tourism is the main sponsor for New Zealand's economy. Wellington offers a lot of tourist spots for the tourist to enjoy. From natural places, museums, shops, zoo, and art centre are available in Wellington (Ferry, 2014). Wellington also offers a lot of variety of entertainment for many cultures and occasions such as Cuba Dupa, Love Pride, LUX Light Festivals, and many more.

The Wellington Night Markets offers tons of choices of food and entertainment every Friday night and Saturday night from 5pm to 10pm. Amongst of their large variety of food, many come in the forms of food trucks. It is located at Cuba Street which is the very central place of Wellington. The Wellington Night Markets currently has 20 food trucks this year that offer the biggest range of local and international food which are Māori, American, Chinese, French, Indonesian, Japanese, Mexican, Italian, and Spanish cuisine (Wellington Night Markets, n.d). The diverse of food trucks make available all types of cuisine and courses to a meal from appetizers to desserts. The price range is from \$3 to \$15.

There are also variety of entertainment offered by Wellington Night Markets such as live bands, local performers, and local artists. Every once in a month, Wellington Night Markets provides a cultural festival and other wide variety of events that are suitable to all ages such as Bollywood Dance, Winter Warmer, Bubble Day, and many more. This will attract more visitors to bring their family or friends to visit Wellington Night Markets (Wellington Night Markets, n.d).

Centrally located in the Central Business District (CBD) situates Wellington Night Markets conveniently for after work or evening activity. It is becoming a place where the community come together for catch up one another, buy exotic traditional food from other countries, and enjoy the live performance. Wellington Night Markets also become a tourist spot where tourists can find local entertainments and great variety of food.

The market environment in the Wellington Night Markets is very competitive due to the high amount of food trucks operating at the same place. The Wellington Night Market has been the researcher interest as the environment has not yet been explored. The culture that has been developed in Wellington where food truck has been spotlight in evening activities is the main factor Wellington Night Markets have been such a success.

2.2 History of Food Truck

The The food truck trend was started in the 1940s. It was parked at certain outdoor locations where people would usually go to meet and sit down. The idea of food truck came up by a broke restaurateur who was trying to figure his life out after he lost his restaurant due to bankruptcy and decided to sold his sandwiches by using his mobile vehicle. He renovated his vehicle to be able to grill his sandwiches inside his vehicle. The restaurateur found that food truck is a solution for chefs to sell their food who can't afford to build a restaurant (Lempert, 2010).

In the 1950s the ice cream food truck was invented. Ice cream trucks work by becoming a mobile version therefore able to move or sweep locations or neighbourhood adding value to their products. They stopped at the corner of the parks for one hour during the afternoon where the kids are out to play with their neighbours and friends. A simple truck with built in generator to provides the electricity for the freezer to keep the ice cream cold and not melted is the main asset for this business (Butler, 2014).

In the 1980s, more people saw the opportunity to sell their food using a mobile vehicle. They started selling hot dogs and then more variety came such as cotton candy, sodas, ice cream, and coffee. They opened their business at the carnivals, festivals, or on the streets during Friday night where people went out with their relatives or friends to get more exposure. Compared to the restaurant or café, food truck needs more preparation and efficiency in delivering the service. The trucks need to be prepared and checked everyday to have a steady machine and the workers need to be two times faster while working in a small space inside the truck so they don't keep customers waiting for a long time since they don't offer proper seating (Butler, 2014).

Nowadays, we can find a lot of different variation of food in the food truck from appetizers to desserts. There are a lot of change happened that involve more advanced technology in the vehicle and broad variety of food are offered in the food truck industry. From simple food like sandwiches and hot dogs, we can now find gourmet food and exotic food offered by food truck industry. It has now become a sophisticated and trend for people to grab their food from food trucks now at public places. The development of food trucks is the new approach in entrepreneurship, as Schieffling and Dementry stated that food trucks are 'the new authenticity of economy' (Swanbrow, 2014).

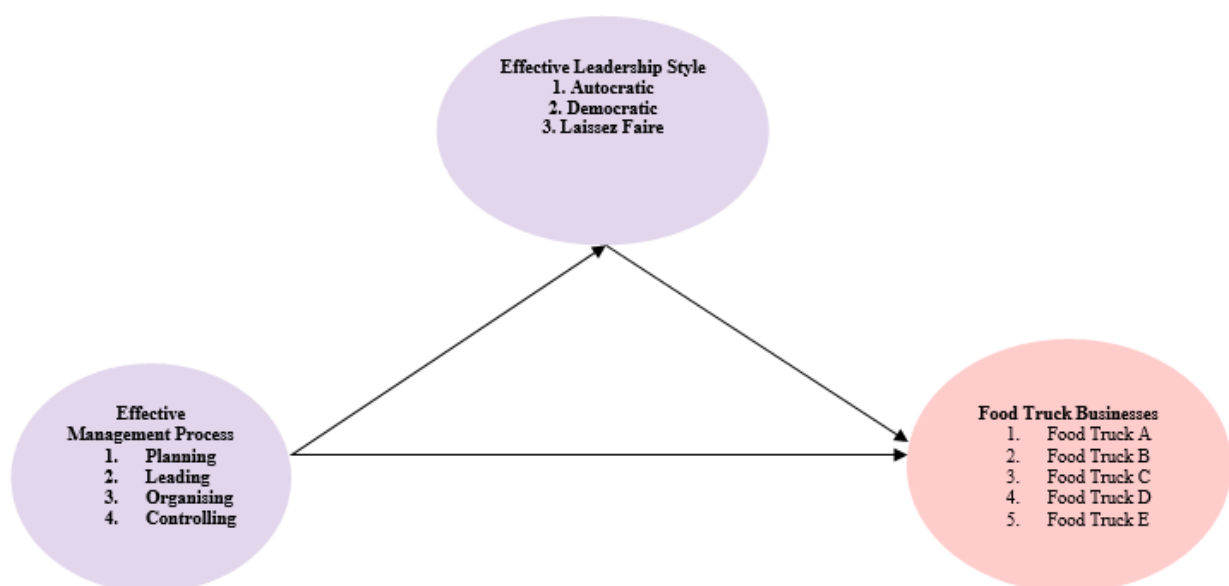
2.3 Management

Technology A key to a successful business lies within the management applied in the workplace. Management is the process of designing the individuals to work together in groups in order to achieve the goals and objective effectively and efficiently. The process of management involving planning, organising, staffing, leading, and controlling. The goals of management in the workplace is to putting the right people in the right place to complete the set of tasks on time. A manager is responsible to convey and maintain the management process of the organisation in the workplace to achieve the goals and objectives (Schermerhorn, Davidson, Poole, Woods, Simon, & McBarron, 2014).

In the food truck businesses efficiency is the main key to the business. It is essential for the owners who mostly acted as managers to delegate the task to the staff in the most efficient way. They must be able to manage the performance, manage the staff, and manage the business at the same time. Most food truck businesses employ around 2 to 4 staff at maximum depending on how big the vehicle is. A small and limited space inside the truck makes it impossible for the owner to hire more staff. Being able to delegate the task and serve as many foods as possible in short time with small amount of time is the main goals of the business. The staff have to work under the pressure to be able to deliver food in time without keeping the customers waiting for too long which can affect their motivation and commitment at the workplace towards their jobs. Food truck businesses is a fast paced work environment.

2.4 Research Framework

Figure 1. Framework



2. Methodology

This study conducted to understand and observe the leadership characteristics applied to food truck businesses in Wellington Night Market.

The limitations to this study are, first the limits are based on the confidentiality of the answers during the open-ended interviews. Second, there was a time limit during the interview session, since employees are allowed to have a 5 to 10 minutes break. Third, the data collection was limited due to small number participants. This study will also applied to food truck businesses at Wellington Night Markets only. The theories of this study will only based on the secondary research which includes journal articles, and case studies on the web research.

The research design of this study is inductive and cross functional which will require to use some samples to gather information and will be useful for many departments in the organisation. Exploratory allows the researcher to explore all the variables in the study. The researcher uses case study to adapt the theories and motives of this study.

In this study, data was mostly collected from open-ended interviews and short questionnaire with 5 food truck businesses which involved 10 respondents who are the owners or managers and the employees. Observations and evaluations were also made at the Wellington Night Markets. The respondents of this research will represent the data of this study that will gather information on how the dynamic of the organisation in the food truck business at Wellington Night Markets. The questionnaire will measure the managerial operation of the business.

The researcher conducts interview that based on open-ended questions with the respondents. Researcher also provides short questionnaire that can be used to analyse the performance and job satisfaction on the organisations. This study will only use qualitative method by analysing and evaluate the employees' level performances, the satisfactory level of the job, and the effectiveness of the applied leadership style in the organisations from the survey and interview that conducted by the researcher. This study will use a thematic data analysis.

3. Result and Analysis

4.1 Leadership Styles

The Leadership style is a constant pattern of behaviour that portrays a leader in assigning the tasks and value in the organisation (DuBrin, 2010). Ineffective leadership style may affect the effectiveness of teamwork in the organisation (Nahavandi, 2002). To be able to delegate and manage the food truck businesses, it is important for the owners or managers to understand which leadership styles are best to be applied in the business to overcome the organisation issues and achieve the business' goals and objectives. Applying the most effective leadership styles to the food truck businesses will help improve employees' performance and employees' satisfactory in the workplace. This study is focus on these three leadership styles,

- Autocratic Leadership:

In the autocratic leadership style, the decisions are made by leaders alone. This would be appropriate for quick decisions when team agreement isn't necessary for success. Decisions are enforced using rewards and the fear of punishment. This style can be demoralising. It can lead to high level absenteeism and staff turnover (Schermerhorn et al, 2014).

- Democratic Leadership

In this style, the team members are involved in the decision making progress but the final decisions are made by the leader. This style encourages creativity and involve high engagement in projects and decisions. This style will resulted in high productivity and job satisfaction for the team members (Schermerhorn et al, 2014).

- Laissez-Faire

Laissez-Faire leadership style allows the leaders give team members a lot of freedom in how they work and how they delegate the tasks. The leaders provide support with resources and advice if needed, but otherwise they don't get involved. This is mostly used when employees are able to analyse the situation (Schermerhorn et al,

2014). Although a lot of freedom are given in this style, Laissez-faire is the most submissive as it creates lack of motivation for leaders to direct the followers (Hinkin and Schriesheim, 2008).

4.2 Organisational Behaviour

Organisational behaviour (OB) is a study that observes the interactions and relationships between individuals, team, and groups inside of the organisation in order to create a synergy and effectiveness in the organisation. The organisational behaviour study involves leadership, motivation, group and teamwork, also change. The main focuses of organisational behaviour study is individual attitude in the workplace. Attitude is defined as an the way individuals feel about object, person, or occasion. The attitude or behaviour of individuals toward their jobs in the workplace shown the level of their performances and motivation. This also draws how satisfied individuals at their jobs (Robbins & Judge, 2008). As Boerner (2008) stated, studying organisational behaviour at the workplace will result organisation to have better operational systems that increase the benefits for the organisation that will result higher employees' performance level and motivation towards the job.

4.3 Effective Management Process

The In achieving the success of the business, effective management process needs to be applied in the long-run implementation of the business to produce a harmonize dynamic in the organisation and high level performance. Effective management process is consisting of :

- Planning:

Planning is a process to set the strategic management plan that could fit the organisation in order to execute the right strategy that will assure the organisation could achieve their objectives and goals.

- Organizing:

Organizing is the process that involves designing and structuring the components of the organisation to coordinate the strategy and human resource in the business.

- Leading:

Leading is the action to be in charge and give command to the employees to be delegated by communicating and motivating employees to increase the productivity and commitment.

- Controlling:

Controlling is the action to scale the performance based on the strategy that has been planned in order to achieve the quality standards of the organisation. Controlling will check the potential issues that might causing problem in the organisation.

5 Conclusion

Centrally located in the Central Business District (CBD) situates Wellington Night Markets conveniently for after work or evening activity. It is becoming a place where the community come together for catch up one another, buy exotic traditional food from other countries, and enjoy the live performance. Wellington Night Markets also become a tourist spot where tourists can find local entertainments and great variety of food. The market environment in the Wellington Night Markets is very competitive due to the high amount of food trucks operating at the same place. The Wellington Night Market has been the researcher interest as the environment has not yet been explored. The culture that has been developed in Wellington where food truck has been spotlight in evening activities is the main factor Wellington Night Markets have been such a success. The challenges that faced by food truck businesses in Wellington Night Markets nowadays can be resolved by adopting the effective management process which includes applying the right leadership style to the business. The leadership style chosen to be applied will impact on the dynamic of the organisation also arise the competitiveness of the business.

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