

Goodnight, Ronald. "Laissez-Faire Leadership." *Encyclopedia of Leadership*. 2004. SAGE Publications. 16 Feb. 2011.



LAISSEZ-FAIRE LEADERSHIP

Laissez-faire leadership may be the best or the worst of leadership styles. If the leader follows the normally understood definition and standard practice of noninterference and “hands-off” when supposedly leading his or her followers, the worst form of leadership is

manifested. However, when the twenty-first century properly prepares his or her followers, laissez-faire leadership emerges as the ultimate form of leading.

The two words *laissez-faire* and *leadership* are absolute direct opposites. The French term *laissez-faire* was originally used relative to mercantilism, and is defined in economics and politics as an economic system that functions best when there is no interference by government, and is considered a “natural” economic order that procures the maximum well-being for the individual and extends to the community. Leadership is defined as an interactive process that provides needed guidance and direction. Leadership involves three interacting dynamic elements: a leader, a follower(s) and a situation. The leader’s role is to influence and provide direction to his/her followers and provide them needed support for theirs and the organization’s success.

World, political, religious, and military leaders such as Mahatma Gandhi, Mao Tse Tung, Winston Churchill, Martin Luther King Jr., and George Patton have led multitudes, and even countries, to victory against seemingly insurmountable odds. Early-twenty-first-century leaders must develop a future vision, obtain commitment for such a vision, and inspire, motivate, and empower others to attain the highest level of accomplishment.

The noted author James MacGregor Burns (2003) presents two types of leadership: transactional and transformational. Aspects of transactional leadership are almost overlays of positive and proactive management where both attempt to influence employees to improve performance toward accomplishing organizational goals and individual personal and professional growth. They negotiate mutually satisfying goals, and enabling the leaders/manager’s role to become one of encouraging and guiding the employee toward satisfying these goals.

In the management-by-exception passive mode, the manager/leader establishes job expectations and standards and dictates them in a one-way, top-down fashion. He/she emphasizes the punishments associated with not meeting the standards. The role is one of indifference, non-involvement or “leave alone”; hence, this mode could be called “laissez-faire leadership” or abdication of responsibility.

The transformational leader is identified with change. He or she influences others to improve themselves and/or the company beyond what would normally be accomplished without such leadership. Transformational leaders champion the change process and continually communicates the vision to all those involved. The managers continue their functions of planning, organizing, staffing, directing, controlling, communicating, problem solving, and decision making to maintain productivity output and quality while managing the change process.

AUTOCRATIC LEADERSHIP

The autocratic leadership style thrives in highly structured, hierarchical chain-of-command environments such as the military or very bureaucratic organizations. This type of leader exercises almost absolute power and commands strict compliance and conformity. The autocratic leader generally has a well-defined and controlled disciplinary process with an emphasis on punishments for noncompliance. This leader determines prescribed policies, procedures, rules, and goals. He or she is the decision maker and such self-directed decisions are final. In this environment, little interaction or communication is expected among associates. Out-flowing information is highly restricted while in-flowing communication is well filtered and defensive.

Autocratic leaders are usually rigid in their thinking and perceptions. They believe that employees have minimal abilities and capabilities and need close supervision and direction, and that controls are needed to assure their compliant behavior. The autocratic leaders believe their style is highly efficient. Unfortunately, this style of leadership results in minimal or no innovation, and virtually no personal or organizational change, growth and development. Cooperation, commitment and achievement are stifled.

Most individuals are familiar with the autocratic leader because such leaders are prevalent even today. It is generally not considered one of the best methods of leadership; however, the autocratic leader definitely is the preferred style in the military, police, and other organizations where individuals may be in dangerous situations.

DEMOCRATIC LEADERSHIP

Democratic leadership is sometimes referred to as enlightened leadership. An individual manifesting this type of leadership recognizes each person's self-worth and esteem. The leader's actions are based upon trust, integrity, honesty, equality, openness and mutual respect. Democratic leaders show consideration and concern for others by empathetic listening and understanding. They foster open communication among all employees at all levels. Reasons and circumstances pertaining to decisions that affect the employees, department, or organization are shared in a timely fashion. Under such leadership, a highly positive, motivation-oriented environment is established to help satisfy the higher-level self-esteem and self-actualization needs as defined by Abraham Maslow (1998) in his hierarchy of needs. Ultimately, the democratic, enlightened leader strives to empower all employees to their maximum capability and desire. At the same time, the democratic leader places a strong emphasis on teamwork, while functioning as a facilitator to develop a natural synergy among the group.

The democratic or enlightened leader practices employee involvement in considering important issues and exercises influence in reaching consensual decisions. The ultimate goal is to democratically attain commitment to and ownership of decisions. He/she has high performance and quality expectations and recognizes that the only way to attain them is through a committed workforce. Employees participate in establishing goals—both common goals for the good of the organization and goals for their own personal self-growth, learning and development. The role of the leader/manager is to guarantee each employee's success in accomplishing these goals. A feedback system is instituted whereby each employee has the responsibility of informing the leader/manager of any obstacle that prevents successful achievement of the goals, and the leader/manager subsequently removes the hindrances.

The democratic leader places a high emphasis upon rewards rather than punishment. When discipline or correction is needed, it is administered justly. This leader recognizes that mistakes will happen and

considers them learning opportunities. In this way, everyone benefits and the mistakes may not reoccur.

LAISSEZ-FAIRE LEADERSHIP

The laissez-faire leader is one who believes in freedom of choice for the employees, leaving them alone so they can do as they want. The basis for this style of leadership is twofold. First, there is a strong belief that the employees know their jobs best so leave them alone to do their jobs. Second, the leader may be in a political, election-based position and may not want to exert power and control for fear of not being reelected.

Such a leader provides basic but minimal information and resources. There is virtually no participation, involvement, or communication within the workforce. Understanding of job requirements, policies, and procedures are generally exchanged from employee to employee. Because of this, many processes are out of control. No direction is given and the laissez-faire leader functions in a crisis or reaction mode. If there are goals and objectives, employee agreement or commitment is just assumed. Even if goals and objectives are shared, rarely is there a defined plan to accomplish them.

Laissez-faire management or leadership can only lead to anarchy, chaos, and inefficiency and can be dismissed out of hand as useless. Basically, the overall effect of laissez-faire leadership seems to be negative. But there may be an aspect of such a style of leadership that is very positive. Hersey, Blanchard, and Johnson (2000) propose that leaders do not have just one style of leadership, but rather have many varying styles depending upon the situation. In one situation, the employees are essentially incompetent, and lack job knowledge and skills. Here, the leader must be the key person in charge. Being an autocratic leader seems appropriate since the followers do not know enough to make any of their own decisions. Safety may also be a key factor. It is the leader's objective to train the employees as rapidly as possible to get them to a predetermined level of competence so they can begin contributing to the department and organization. Once they have successfully reached the prescribed level, the employees pass onto the next level.

In another situation, the leader continues to function in the autocratic style; however, as each employee matures and gains competence, his/her style evolves into the democratic leadership mode. The employees continue to gain knowledge about the job requirements, to become technically skilled and gain an understanding of the job and related tasks. This is accomplished through much interaction with the autocratic/democratic leader. The goal here is to make all employees job-competent so they do not need direct supervision.

At the point that democratic leaders emerge, they leave the autocrat behind. Through mutual discussion and decision making, the leader conducts a transaction with each employee. The leader offers an opportunity for each employee to move on to a third stage in which he or she takes on additional responsibilities. Employees are expected to continue working at their given jobs, but they begin functioning as pseudo-managers in a participatory manner. The leader will guide, counsel, direct, instruct, and share pertinent departmental and organizational job information to train and develop each employee to the maximum capability. Each employee will be expected to investigate and make process improvement and quality recommendations to the democratic leader. The recommendations must be fully documented and justified to prove to the leader that the employee has sound decision-making judgment. The goal in this situation is to allow each employee to learn and to prove he/she can make good, sound decisions.

Finally, those employees who have proven their decision-making acumen are fully empowered to make independent decisions within an agreed boundaries. Once each employee is comfortable in this last mode, the leader becomes a leader by exception or a laissez-faire leader. He/she knows minimal leadership or management is needed for these individuals.

—Ronald Goodnight

Further Reading

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