In the Laissez-faire Leadership Style, Self-operation Mechanisms and Reverse Management Are Intertwined, Resulting in A Form of Governance By Doing Nothing

Keke Qin[*], Zhi Cao

School of Politics and Public Administration, Guangxi Normal University, Guilin 541000, China

Abstract

German psychologist Lewin divided leadership styles into three types: autocracy, democratic participation, and laissez-faire. In the past, due to the influence of traditional Chinese leadership culture, autocratic leadership appeared to be predominant. However, as times have evolved, various leadership styles have emerged in practice, including the laissez-faire approach. Nevertheless, it is essential to acknowledge that both merits and demerits exist within the laissez-faire leadership style, both in theory and practice. In this paper, we will explore the advantages and disadvantages of laissez-faire leadership and propose a method for optimizing this style. We will discuss how the implementation of a self-operating system mechanism, along with reversing the conventional management approach towards subordinates, can enhance the laissez-faire leadership style, allowing it to leverage its strengths and achieve the ideal state of "non-interference".

Keywords

Leadership style, Laissez-faire, Self-operating mechanism, Reverse management.

1. Introduction

There is a historical reference in China regarding Xiao He's establishment of rules and regulations. After his passing, Cao Can assumed the role of prime minister and indulged in leisurely activities like drinking and casual conversations, seemingly neglecting court affairs. This left Emperor Hui of Han puzzled. However, Cao Can offered an explanation, stating that Emperor Hui did not possess the same wisdom as his predecessor, and his own virtues and talents did not match those of Xiao Xiangguo. He emphasized that since the former emperor and Xiao Xiangguo had successfully unified the world through the implementation of clear and comprehensive laws and regulations, these established norms should continue to be followed. Maintaining a state of tranquility without disturbing the populace, governing the country in accordance with the laws and regulations set forth by Xiao He would ensure political stability, economic development, and an improved quality of life for the people of the Western Han Dynasty.

Following Cao Can's passing, the common people composed a ballad in his honor, praising him for upholding the clarity and orderliness of Xiao He's laws. Cao Can's governance, which refrained from deviation, resulted in a tranquil government and contented citizens[1]. This style of leadership, known as "Xiao Cao Sui," can be likened to laissez-faire leadership. Modern organizations have varied perspectives on this approach. Some appreciate laissez-faire leadership, viewing it as a welcome departure from rigid and overly strict leadership styles that might stifle autonomy and creativity. However, others may find it challenging to adapt to such leadership, believing it can lead to a loss of direction..

2. Laissez-faire Leadership, Often Associated With The Concept of "Governing By Doing Nothing

Laissez-faire leadership, often associated with the leadership style that allows leaders to relinquish control and grant their subordinates significant freedom of action, aligns with traditional Chinese values reminiscent of Lao Tzu's philosophy of "rule by inaction." In the Book of the Tao Te Ching, Lao Tzu articulates, "Man follows the earth, the earth follows the heaven, the heaven follows the Tao, and the Tao follows nature." Chapter 57 of the Tao Te Ching further expounds on this idea: "I am not doing anything, and the people are self-transforming; I am quiet, and the people are self-righteous. I have nothing to do, and the people are rich; I have no desire, and the people are simple"[2]. This passage encapsulates Lao Tzu's concept of "governing by doing nothing," advocating for righteous governance and leading the nation through inaction, regarded as the governing principle. In contemporary times, the concept of "governing by doing nothing" aligns with organizational leadership, rooted in the Tao's adherence to nature and its inherent laws and development. Therefore, matters should be approached as they naturally unfold. From this perspective, "governing by doing nothing" does not entail true inactivity but rather "refraining from arbitrary actions, aligning with the Tao." This approach aims to dissuade feudal imperial rulers from taking actions that defy objective laws and encourages them not to intervene recklessly. In modern leadership practices, the Taoist philosophy of "governing through non-interference" has received acclaim and validation.

Nonetheless, some Western studies have yielded conflicting results. For instance, psychologists like Ronald and others in the 1930s examined adult social management and control within group dynamics. Their findings indicated that across three different management styles – autocracy, democracy, and laissez-faire – autocratic leadership resulted in a significant number of aggressive behaviors and a lack of emotional response, while laissez-faire leadership led to the highest incidence of aggressive behavior within organizations. In contrast, democracy exhibited the lowest levels of negative behavior. The laissez-faire style, it seems, may not be suitable for an entire organization, as it compromises close communication and connection with its members, and its impact on both interpersonal relationships and task execution may be limited[3]. This raises questions about the effects of laissez-faire leadership on an organization.

3. The Influence of Laissez-faire Leaders on Organizations

T The impact of the laissez-faire leadership style on organizations varies depending on different leadership behavior theories and practical contexts. Functional leadership theory suggests that the laissez-faire style can facilitate the development of organizational members. Conversely, social learning theory indicates that it can have adverse effects on the organization. Researchers have discovered that the outcomes of laissez-faire leadership can differ based on various situations and individual factors.

3.1. Play the role of iformal leaders

Functional leadership theory posits that organizations must fulfill critical functions to achieve their objectives. Challenges arising during missions generate needs that members can address through leadership behaviors. Leaders are individuals capable of fulfilling the organization's functional requirements[4]. Following this theoretical framework, when an organization's leaders adopt a laissez-faire leadership style, to prevent the organization's efficiency from being compromised by a "leaderless" state, proficient members within the organization typically emerge as informal leaders, guiding the team to task completion. From this perspective, laissez-faire leadership enhances the efficient utilization of organizational

resources and simultaneously unlocks the potential for growth among its members through leadership roles..

3.2. Learning "lazy politics and inaction"

Another theory commonly used to explain and study laissez-faire leadership is social learning theory, which was developed by American psychologist Albert Bandura. This theory emphasizes the role of observation, learning, and self-regulation in shaping human behavior and underscores the interaction between human behavior and the environment[5]. According to social learning theory, most members of an organization learn from their immediate leaders due to the influence of the organizational system and culture, with organizational leaders serving as significant role models. Members of the organization engage in a process of "copying from above" to determine appropriate behavior within the organization and to emulate how to participate in such behavior.

Within the context of social learning theory, when leaders adopt a "laissez-faire" leadership style, members of the organization may perceive this as inconsistent with the generally accepted norms of leadership behavior, particularly in Chinese society, which traditionally values authoritative leadership. In such cases, members of the organization might internalize this form of "inaction" and "lax leadership." From this perspective, it appears that this style of leadership may not effectively promote organizational growth and advancement.

3.3. Individualization of organizational members

SDoes laissez-faire leadership do more good than harm or vice versa? This question is also addressed in Western studies. According to the Situational Leadership Theory, developed by American behaviorist Paul Hesse and management scientist Kenneth Blanchard, leading and managing an organization require adapting leadership and management styles to changing environments, situations, and the characteristics of subordinates. There are four fundamental leadership behaviors that an adept manager should master[6]:（1）Mentoring: High-task, low-relationship behavior, effective when subordinates have very low maturity.（2）Selling (or Coaching): High-task, high-relationship behavior, effective when subordinates are less mature. （3）Participation (or Supportive Behavior): Low-task, high-relationship behavior, effective when subordinates are more mature.（4）Delegation: Low-task, low-relationship behavior, effective when subordinates have a high degree of maturity.

As organizations evolve, leadership has shifted from leaders to other members of the organization. The management atmosphere has transitioned toward democracy, relaxation, care, participation, support, and humanism. The notion that organizations should adopt a laissez-faire and fully empowered leadership style reflects the desire to motivate employees in a more relaxed and empowered manner, although its effectiveness varies from person to person. Both functional leadership theory and social learning theory tend to overlook situational factors. In reality, the choice of leadership style is influenced by individual factors among organization members.In extensive research and practical work on organizational leadership behavior, it has been observed that members of organizations typically exhibit two basic reactions when confronted with laissez-faire leadership styles[7]: Group A members often possess leadership potential and exhibit pioneering characteristics. They thrive in "blank" and innovative spaces and eagerly embrace unknown challenges with passion, hoping to achieve notable accomplishments. Members of this group prefer leaders who impose fewer restrictions and constraints. They actively connect resources through various means and frequently present new ideas and plans. Laissez-faire leadership offers ample growth opportunities for these members, propelling them forward, making them beneficiaries of this leadership style.Group B members tend to adapt better to autocratic leadership, where a single authoritative command prevails. They feel lost when confronted with laissez-faire leadership,

often requiring clearer guidance from a leader. Members of this group typically exhibit less pioneering behavior, are less inclined to engage in organizational leadership activities, and do not thrive in a laissez-faire leadership environment. This leadership style is clearly unsuitable for them.

4. The Essence of Transitioning From "Inaction" to "Action" Lies in The Establishment of A Self-operating System Mechanism

The role of organizational leadership isn't constant supervision and management of employees but rather the creation of a system that fosters the development of all members into skilled individuals who work autonomously. This is because the most effective way to govern an organization is through the self-management of its members.

4.1. A good system is the prerequisite for achieving "doing nothing"

Jack Welch famously stated, "Less management is better management"[8]. Effective management, in fact, involves maximizing the role of various systems and measures. A well-functioning system, when the standard, can fully stimulate the consciousness, responsibility, and enthusiasm of organizational members. This, in turn, reduces the burden on leadership, simplifies the leadership process, and enhances organizational execution. This principle is exemplified by the initial example in this article. The reason why "Xiao Cao Sui" could "govern by doing nothing" wasn't due to Cao Can's true "laissez-faire" leadership. Instead, it was a result of understanding the need for calm inaction to maintain a stable political environment during the early Han Dynasty. This approach allowed for the creation of a favorable social environment that fostered political stability, economic development, and improved living standards during the Western Han Dynasty. It's important to note that this didn't mean doing nothing in the true sense.

As Lao Tzu once said, "If the marquis can keep it, everything will self-transform," implying that if a country's leader adheres to this principle, everything falls into place. Deng Xiaoping, the chief architect of China's reform and opening-up, comprehended the essence of economic development and recognized the fundamental laws of economic growth, asserting that "whether a cat is white or black, it is a good cat that catches mice." His approach aligned with nature and the basic laws of economics, leading to China's rapid economic development over the past 40 years of reform and opening-up. This period witnessed the emergence of countless enterprises, an undeniable rise in national living standards, and the cultivation of numerous renowned business leaders. This is what the ancient concept of "Tao" is about. When Lao Tzu mentioned "self-transformation," it's often interpreted as "self-cultivation" globally, but it carries another meaning—naturalization. For instance, some units consistently struggle to retain talent due to a lack of alignment with the "Tao," which represents the ability to adapt naturally. Therefore, it's evident that a robust system is a prerequisite for achieving the best results with the laissez-faire leadership style and forms the bedrock of effective implementation.

4.2. For laissez-faire leadership to be effective, it is essential to establish a self-operating institutional mechanism

The"self-operating mechanism"discussed in this paper primarily revolves around stimulating the intrinsic needs of organization members. Through the psychological dynamics among organization members, leaders establish rules of engagement that cater to the diverse needs of the members, enabling them to enjoy their roles and foster win-win cooperation. The ultimate objective of laissez-faire leadership is to "do nothing." However, this does not imply that leaders should truly adopt a "hands-off" approach. Instead, it means that they do not have to handle every task personally. In today's era of rapid artificial intelligence development, in many

enterprises and institutions, products can function without the direct involvement of organization members. As leaders, our role is more about coordination, offering personalized support including physiological needs such as compensation and rest, as well as psychological needs like participation, a sense of accomplishment, and dedication. This approach allows organization members to find fulfillment in their daily work. According to Maslow's hierarchy of needs theory, basic survival needs include food, shelter, and sustenance, but these are considered low-level instinctive needs. To truly engage organization members, higher-level needs such as security, emotional connection, and respect must also be addressed. These needs serve as the foundation for achieving self-improvement under a laissez-faire leadership style. Once the leaders provide for their members' security, emotional well-being, and respect, organization members will naturally pursue self-development and self-realization, which forms the basis for effective "governing by doing nothing."

Secondly, Matsushita Electric founder Matsushita Konosuke, often hailed as Japan's "God of Management," attributed his management philosophy to always aligning with the laws of nature. In other words, successful governance by doing nothing against nature relies on impeccable and peerless institutional design. Exquisite system design involves creating rules that can function automatically, aligning the members' interests and pursuits with the organization's predetermined goals. By harnessing the members' natural inclinations and interests, the organization can effectively steer toward its leadership's policy intentions and organizational objectives. It's akin to utilizing the wind to sail a boat and going with the flow to guide the boat, allowing for the automatic and spontaneous realization of organizational goals.

In practice, to establish a genuine "self-executing system," three fundamental principles of system design should be adhered to: "Subject homing, interests embedded," "self-organization, self-management," and "respect history, uphold tradition." Firstly, "subject homing" ensures that tasks are clearly assigned to specific individuals who take ownership. "Interest embedding" involves aligning the performance of duties with the vital interests of the responsible members. Essentially, the organizational system should specify who is responsible for particular tasks, with their performance directly tied to their personal interests. Secondly, effective management systems should evolve into "self-organizing and self-managing" systems. The intrinsic enthusiasm and creativity of organization members are the true wellsprings of organizational vitality, and these attributes should stem from the members' own motivations, not external coercion. Additionally, adopting self-management can lead to cost savings across various aspects of system implementation, supervision, and coordination, making it a more economical approach compared to external organization and management. Finally, the example of "Xiao Cao Sui" underscores the importance of respecting established systems and traditions. System design should not be a last resort, and it's often preferable to enhance existing systems rather than overhaul them. The original system, whether top-down or top-up in implementation, is rooted in sound principles, cultural norms, and traditions. It has practical rationality and should be sustained by following the natural course of development. Therefore, it's crucial to prioritize "respecting history and adhering to tradition."

5. Conclusion

In the face of laissez-faire style of leadership, members of the organization to obtain efficient work and achieve the goal, learn how to "reverse management" is also the key, therefore, in the implementation of "non-interference" at the same time, to learn "reverse management." The so-called "reverse management" refers to the organization members in the face of laissez-faire style of leadership, in order to get more help, so that their work objectives and growth, through the subordinate "management" leadership method to make the leadership to help themselves.

The first is to obtain the information and resources needed for the work through "reverse management". Laissez-faire leaders do not take the initiative to communicate, as subordinates should develop the habit of taking the initiative to find leaders to communicate, forcing leaders to communicate with themselves. For example, at the beginning of each month, do a good job of this month's work plan to report to the leadership. For some unclear task points, ask clearly and record with specific framework, such as "task objective, task object, key link, evaluation standard, task delivery date, cost limit", etc. After communicating with leaders and recording, subordinates 'work becomes much easier. As a result, members of the organization will gradually adapt to this leadership style and be able to do their own work independently.

Secondly, we should actively obtain the guidance of laissez-faire leadership. The habit of summarizing should be formed in the work. Turn experience into experience and systematic knowledge. Then regularly give the experience summed up to the leader, let the leader understand his thoughts, learning, work dynamics, and seek his opinions and suggestions. This is conducive to promoting the individual maturity of the members of the organization, so that they learn to actively communicate, think and learn, and gradually have the potential of managers.

Finally, take the initiative to communicate with laissez-faire leaders to get feedback and motivation. Members of the organization regularly communicate ideas related to development with leaders on a quarterly or semi-annual basis. For example, some suggestions and ideas of members on their current work; Ask the leader to give yourself some pointers about their own shortcomings and development direction, and then face the future career development on the road, what ability needs to be strengthened.

All of the above should be realized through human resource training when the members of the organization join. Through the improvement of the system, the formation of self-operating system, as well as the effective training of human resources, will be able to make laissez-faire leadership strengths and avoid weaknesses, truly "governing by doing nothing", and then put more energy to broaden resources and the organization and the long-term development of the organization.

References

[1] Lei Cai:"Follow the rules? A comparison of Cai Yuanpei and Jiang Menglin's school management ideas,Peking University Education Review,Vol. 6 (2008) No.3, p.12-21.

[2] Bi Lou Wang:Notes on Laozi's Tao Te Ching, (TZhonghua Book Company, China,2011).

[3] R. G. Barker, J. S. Kounin, & H. F. Wright (Eds.):Child behavior and development: A course of representative studies (McGraw-Hill Book Company,Americans,1943).

[4] Wellman N , Newton D W , Wang D , et al:Meeting the need or falling in line? The effect of laissez-faire formal leaders on informal leadership, Personnel Psychology,(2018),p.72.

[5] Wellman N , Newton D W , Wang D , et al:Meeting the need or falling in line? The effect of laissez-faire formal leaders on informal leadership, Personnel Psychology,(2018),p.72.

[6] Fuhui Gao:Situational leadership theory and empirical analysis of leadership style, Science of Leadership,Vol. 11 (2013),p.34-35.

[7] Anyi Wang:An Empirical Study on the Synergy between Corporate Culture and Leadership Style,(MS., Sichuan University, China 2002).

[8] Hilmer F G, Donaldson L:Management redeemed: Debunking the fads that undermine corporate performance,(Simon and Schuster,1996).

[9] Fukui T, Kawai S, Fujinuma S, et al:Control over differentiation of a metastable supramolecular assembly in one and two dimensions,Nature chemistry,Vol. 9 (2017) No.5 p.493-499.

[10] Tianyu Dai:Ruling by noninterference: designing an automatic enterprise system, (Peking University Press, China,2015).