Comparison of Lean-, Laissez-Faire-, and Servant Leadership
Formál

Ritgerð þessi er BSc lokaverkefni til 12 ECTS eininga við viðskiptadeild Háskólan á Reykjavík. Ritgöðin var framkvæmd undir leiðsögn Dr. Þórönnum Jónsdóttur og vil ég þakka henni fyrir allan þann stuðning og þolinmæði sem hún veitti við verkefnið. Einnig vil ég þakka Daniel Guðbjartsson, Guðbjart Þórarinsson og Jóhönnu Hrafnkelsdóttur fyrir allan þann stuðning og aðstoð sem þau hafa veitt mér í gegnum þetta ferli. Viðfangsefni ritgerðarinnar var samanburður á Straumlinustjórnun, Laissez-Faire stjórnun og þjónandi stjórnun.
Yfirlýsing um heilindi í rannsóknarvinnu

Verkefni þetta hefur hingað til ekki verið lagt inn til samþykkis til prófgráðu, hvorki hérlendis né erlendis. Verkefnið er afrakstur rannsókna undirritaðs / undirritaðrar, nema þar sem annað kemur fram og þar vísað til skv. heimildaskráningararstaðlí med stöðluðum tilvísunum og heimildaskrá.

Með undirskriftni staðfesti ég og samþyki að ég hef lesið siðareglur og reglur Háskóls í Reykjavík um verkefnavinnu og skil þær afleiðingar sem bort þessara reglna hafa í for með sér hvað varðar verkefni þetta.

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Abstract

Over the last decades focus on leadership has gained popularity and taking a decision what leadership style to use has become more difficult. With the constant changes in corporate culture and developing leadership styles, making an informed decision about what leadership style fits the organization the best becomes difficult.

The purpose of this quantitative thesis paper was to compare three popular leadership styles, lean management, laissez-faire leadership, and servant leadership using the Hudson’s Leadership model. The thesis is divided into two main parts. Part one is introducing the reader to the background of the three leadership styles mentioned and the main objectives of the styles. That was done by using the vast number of books, scholarly journal articles and research were used to collect data that was used to make the comparison. The second part is comparing the leadership styles using the Hudson’s Leadership Model parts. This was done by using a few key sources to fill in the different parts of the model for all three leadership styles.

The main findings of the comparison were how the three leadership styles use all use different methods and actions to reach a common goal of making the organization successful. The leadership styles all have a different emphasis and do they have a different effect on an organization.

Keywords:
Lean Management, Laissez-Faire Leadership, Servant Leadership, Leadership, Management, Organizations
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1. Introduction

Leadership has been used for over 3,000 years, ever since the beginning of human civilization. It is said that leadership is not something that humans invented but something that we are born with; besides being a fundamental human need, it is the backbone of human civilization (DeGrosky, 2012). Leadership being one of the most researched topics in the world it is also one of the least understood phenomena in the world. That being said all published work on leadership, both academic and other publishing’s, indicate that leadership is essential (Gandolfi & Stone, 2016).

Over the years leadership has become increasingly difficult with the ever-evolving leadership styles as well as corporate culture trends (Gandolfi & Stone, 2018). According to Bush and Glover, there is no correct or incorrect way to lead, but an effective leadership style must be able to help an organization seek performance improvements (Bush & Glover, 2012). Leadership styles have different goals and ways of achieving that goal (Gandolfi & Stone, 2016).

In this paper, three management styles will be compared with each other using the Hudson’s Leadership Model. The Hudson’s Leadership Model is considered to be a great tool to evaluate a leader. The Model uses five areas that evaluate a leader: vision, action, impact, connection, and drive (“Identify leaders | Hudson,” n.d.). The variety of areas studied in the model makes this the best tool to comprehensively compare traits within each style. Although other good models could be used, the Hudson’s Leadership model has the advantage of being simple and easy to follow, as well as covering many of the areas of leadership actions.

Keeping that in mind it is hard to compare all leadership styles available, that is why choosing three popular styles have been chosen to emphasize on, Lean Management, Laissez-Faire Leadership, and Servant Leadership. According to a Forbes article from 2013, lean management is a “perfect match to every enterprise’s dilemma: creating more products, for more niches, at a faster lick and lower cost…”. Large corporations such as AT&T, Nokia Siemens Networks, The Washington Post and National Geography have seen great success in using lean management and are pressuring other organizations to do the same (“The Rise of Lean And Why It Matters,” n.d.). Lean management is based on two main principles: eliminating waste and kaizen, which will be discussed in more detail in the theoretical chapter (Akers, 2016).

Laissez-faire leadership is on the opposite end of the leadership style spectrum compared to autocratic. This leadership style has been used by managers and leaders of some of the world’s
most significant projects, for an example the construction of the Panama Canal, and the Hoover Dam. Laissez-faire leadership emphasizes freedom for employees and autonomy; this is what makes it an exciting leadership style to compare (“What is Laissez-Faire Leadership?,” 2018). Servant leadership is an old philosophy by a man named Robert K. Greenleaf (Greenleaf & Spears, 2002) who said that leadership all begins with the natural feeling that one wants to serve first (Northouse, 2016). For many organizations the thought of investing in the employees seems like a bad investment, but according to a Forbes article from 2016 is was the best decision an American organization did. Embracing servant leadership helped strengthen teamwork within the organization and increase productivity. This phenomenon is what makes this leadership style a good comparison for this thesis paper (“Think Servant Leadership Is Too Good To Be True? Why It’s The Best Investment A Business Can Make,” n.d.).

The main goal of this paper is to compare these three leadership styles mentioned above using Hudson’s leadership model. To achieve this goal, the following research question is raised: How do Lean management, Laissez-Faire leadership, and Servant leadership compare as leadership styles in the Hudson’s Leadership Model?
2. Theoretical background

In this chapter, the theoretical background will be introduced. An introduction of the history of leadership, some of the first leaders and how leadership has evolved from the beginning of time, through the last centuries until today. The background of Lean-, Servant-, and Laissez-faire leadership will be discussed as well as their origin, objectives and goals. The last thing that will be discussed is Hudson’s Leadership Model. The attributes of the model, as well as the different parts of it, will be introduced and explained.

2.1. Leadership

“A leader is best when people barely know that he exists, not so good when people obey and acclaim him, worst when they despise him. 'Fail to honour people' they fail to honour you.' But of a good leader, who talks little, when his work is done, his aim fulfilled, they will all say, 'We did this ourselves.'“ (Lao Tzu, 500 BC) (Seamon, 2016)

This Lao Tzu quote from 500 BC shows that leadership is not a new concept. Leadership has a long history of interpretations from different professors and scholars throughout history. A political scientist named James McGregor Burns once wrote that “leadership is one of the most observed and least understood phenomena on earth” (Burns, 1978). Leadership can be seen throughout history where individuals are seen take charge and lead groups or individuals such as Nelson Mandela and Gandhi (Van Vugt, 2006). Nelson Mandela was a dedicated advocate for the elimination of racial segregation, a political leader, and a philanthropist. Mandela was also the first South African president to be elected in a fully representative democratic election. What made Nelson Mandela such a great leader was that he did not accept taking no for an answer which made him willing to fight for equality and peace until he died in 2013 (“Biography of Nelson Mandela – Nelson Mandela Foundation,” n.d.).

The second example of a great leader is Gandhi. Gandhi was a social activist, politician, lawyer, and a writer who became the leader of the nationalist movement against British rule of India. He was well known for his nonviolent protests to achieve political as well as social progress. During his late years, he gained millions of Indian followers and was he seen in their eyes as the Mahatma (“Great Soul”). What made Gandhi such a great leader was the lengths he took to get his voice heard, but he always did it peacefully (“Mahatma Gandhi | Biography, Accomplishments, & Facts | Britannica.com,” n.d.).
Throughout time, many scholars and professors have come up with their own vision and idea of what leadership is and should be, according to Gandolfi and Stone, there is no universally recognized definition of leadership. (Gandolfi & Stone, 2016). The evolution of the definition can be seen throughout the 20th and well into the 21st century (Northouse, 2016).

At the beginning of the 20th century, leadership was said to be emphasized about control and centralized power (Northouse, 2016). Professors, Vroom and Jago consider that the definition of leadership has changed in the last centuries, according to them the definition of leadership can be broken down into five parts:

1. Leadership is a process, not ownership of a person.
2. The process involves motivation.
3. The nature of the incentives, extrinsic or intrinsic, is not part of the definition.
4. The consequence of the influence is collaboration on the pursuit of a common goal.
5. The “great things” are in the minds of both leader and followers and are not necessarily viewed as desirable by all other parties (Vroom & Jago, 2007).

The International Journal of Leadership studies published an article on the definition of leadership. According to the article:

A leader is one or more people who elect, equips, trains, and influences one or more follower(s) who have diverse gifts, abilities, and skills and focuses the follower(s) to the organization’s mission and objectives causing the follower(s) to willingly and enthusiastically expend spiritual, emotional, and physical energy in a concerted coordinated effort to achieve the organizational mission and objectives. (Winton & Patterson, 2006).

The importance of leadership can be read in published studies as well as the personal experience from different leaders, for an example, Napoleon said, “that he would rather have an army of rabbits led by a lion than an army of lions led by a rabbit (Bass & Bass, 2008).” Here Napoleon uses the lion and the rabbit as a metaphor for a leader and his followers. Lions are known as the king of beasts because of his power and strength (“lion | Characteristics, Habitat, & Facts,” n.d.). Rabbits, on the other hand, are small and cute pack animals (Animals Planet, n.d.). This significant difference between the two animals indicates that Napoleon is saying that leaders need to be strong and powerful not small and fluffy. Leadership is not only crucial for the leader; it is also crucial for the followers. Surveys done in the 1920s showed that
employees’ satisfaction is affected by how much the supervisor contributes, as well as the productivity of the workgroup (Viteles, 1953). Great leaders can be seen in myths, history, and stories. According to Professor Joseph Campbell, all heroes have one thing in common; they all go on a quest and bring valuables back to civilization. Heroes such as Prometheus, Moses, and other leaders went on quests, and they brought back valuable commodities for civilization, such as the Ten Commandments. These heroes can be seen in early books as great leaders in that time, everything from their traits, presence, and their ability to lead people made them great. They can be considered to be some of the first modern leaders (Bass & Bass, 2008). Leadership is not a new concept and, as mentioned above, can be seen throughout history. As of March 17, 2019, Amazon.com listed over 60,000 books that touch the topic of leadership. On April 14, 2005, there were only 18,299 books listed on the topic of leadership (Bass & Bass, 2008), this is more than a 330% increase of listed book titles. This not only shows how important this topic is in the more demanding world that we live in, but also that people are more interested in leadership and how to become better leaders.

2.2. Leadership skills
A leader’s ability to create a vision and goals that motivate employees is an excellent indication of a leader’s leadership skills. A leader’s set of skill is a testament to his ability to motivate employees to take part in working towards a common goal. Leadership skills are subject to circumstances, followers and time. Leadership skills are not always something that leaders are born with, a lot of the time; it is something that is learned through experience and trial and error. That is why everyone should be able to acquire leadership skills, but it is in the hands of the employees and followers to give the leader its power to lead (Haukur Ingi Jónasson & Helgi Þór Ingason, 2011).

Individuals that are willing to dedicate themselves to learning leadership skills are taking on extra responsibility and can that require training and adjustments. Some individuals do not need to take on extra training because they already acquire the skills needed to become an active listener, bring together collaborations and if the need arises, put the needs of others above their own (Haukur Ingi Jónasson & Helgi Þór Ingason, 2011).

Most scholars agree that being a leader involves a few key elements that involve behaviour, capability and the individual’s attitude. Some elements are congenital, but some have to be taught and are acquired through experience. Some of these elements are trust, encouragement,
foresight, understanding, and an individual’s interests. A leader’s attitude is first and foremost acquired through experience, but not predetermined assumptions and stubbornness. Attitude determines how a leader responds to different circumstances. Attitude can be considered one of the main pillars of a good leader (Boone & Makhani, 2012).

All leaders are different, and it all depends on their field of work and how they work but in order to become a leader, the individual needs to have a specific frame of mind, something called higher thinking. Higher thinking can be divided into three categories. A leader’s skill is first and foremost supposed to aid an individual in seeing the importance of innovation, creation, and the beauty in everything that he does (Haukur Ingi Jónasson & Helgi Þór Ingason, 2011).

Ingenuity is the ability to work imaginatively with an open mind. Ingenuity is used to solve problems, innovate, make plans, and to be able to put themselves in other people’s shoes and be considerate towards them (Haukur Ingi Jónasson & Helgi Þór Ingason, 2011).

Moral virtue is another skill a leader needs to have to be able to analyze ethical dilemmas that can arise as well as discuss them and come to a reasonable solution. Moral virtue is not much import than ingenuity; it can be said moral virtue is part of an individual’s morality which will be visible from a leader’s actions (Haukur Ingi Jónasson & Helgi Þór Ingason, 2011).

Last but not least there is a leader’s ability to see circumstances from different views, analyze them and come up with a possible solution using critical thinking (Haukur Ingi Jónasson & Helgi Þór Ingason, 2011).

One of the most important aspects of being a leader is the ability to inspire their employees and aspire them to want to do their best. A leader must be able to create the correct morale and work environment that will make the workplace safe, inviting, and inspire productivity and work. A leader’s emotional intelligence is critical to the success that he has in achieving his goals within an organization. Emotional intelligence can be divided into four main categories: self-awareness, self-management, social awareness, and relationship management (Goleman, Boyatzis, & McKee, 2002).
2.3. Leadership Styles
In this chapter, different leadership styles will be introduced and the main philosophy behind the style will be discussed. Northouse (Northouse, 2016) has given a comprehensive definition of what leadership styles are in his book Leadership: Theory and Practice. According to him:

*A leadership style consists of the behavior pattern of a person who attempts to influence others. It includes both directive behaviour and supportive behavior. Directive behaviours help group members accomplish goals by giving directions, establishing goals and methods of evaluation, setting timelines, defining roles, and showing how the goals are to be achieved. Directive behaviours clarify, often with one-way communication, what is to be done, how it is to be done, and who is responsible for doing it. Supportive behaviours help group members feel comfortable about themselves, their coworkers, and the situation. Supportive behaviours involve two-way communication and responses that show social and emotional support to others. (Northouse, 2016, p. 94)*

There is no shortage of different leadership styles; there are always new and exciting leadership styles being introduced and developed. Some of the leadership styles that have been written about are Autocratic leadership, Democratic leadership, Directive leadership, Participative leadership (Bass & Bass, 2008), Transformational leadership, Authentic leadership, Servant leadership, and Adaptive leadership (Northouse, 2016).

2.4. Lean Management
The History of Lean
The concept of lean dates back to the idea of Frederick Winslow Taylor (Čiarnienė & Vienažindienė, 2012) and Henry Ford who invented the production system in Highland Park manufacturing plant in 1913 (Diego Fernando & Rivera Cadavid, 2007). At that time Ford only produced one car model, Model T, so the setup was relatively simple, and no changeovers were needed. The production system made it possible for Ford to turn out cars at an incredible rate for that time with a concise flow time and high consistency. The Model T manufacturing barely changed over roughly 19 years, but after World War II the market changed and so did the demand for cars.
In another part of the world, Kiichiro Toyoda founded the Toyota car manufacturer in Japan in 1937. (Modig, Åhlström, & Rheologica Publishing, 2017, p. 68). During World War II, Japan suffered severely; they had to endure two atomic bombs that affected a large portion of the country. The country suffered significant shortages in import on raw materials which hurt production companies in Japan. After admitting defeat to the United States of America on USS Missouri, September 2, 1945, they started rebuilding their industrial industry from the ground up (Jansen et al., 2019). This was a perfect time for Toyota executives to look around and find ways to improve their production, this is when two men from Toyota, Kiichiro Toyoda (“a member of the founding family of Toyota” car manufacturing) and Taiichi Ohno (“Toyota’s leading manufacturing engineer”) became curious about the new way of car manufacturing Ford was using. They made a trip to Highland Park to take a better look at the new process and see if they could use some of Ford production techniques in their car manufacturing in Japan (Čiarnienė & Vienažindienė, 2012; Modig et al., 2017).

There were two things that Toyoda and Ohno were astounded by, firstly was the amount of inventory that was present around the production, and secondly the amount of the cars that were being produced that needed to be fixed at the end of the production. The solutions to these problems where rather simple, the solution to the second problem had already been invented by Kiichiro Toyoda’s father, Sakichi Toyoda. In 1896, Sakichi Toyoda invented a steam-powered loom (“The Story of Sakichi Toyoda | Toyota Industries Corporation,” n.d.) that was able to detect when the string that was used to weave tore and stopped the machine. This came to be known as the andon, which was initially a long piece red string that workers on the production line would pull if they came across a defect that would stop the production line as a whole while the problem was being fixed and therefore prevent the defect for occurring again (Modig et al., 2017, p. 68).

To understand the solution to the first problem that Toyoda and Ohno came across it is important to understand that after World War II, raw materials were scarce, and it was expensive to import them. In order for Toyota to stay profitable, they needed to maximize their inventory utilization, that is the reason why they started with just-in-time manufacturing (Modig et al., 2017, p. 68). Just-in-time manufacturing is a term used for a production method that minimizes inventory by producing only what is needed when it is needed (Yavuz & Akçali, 2007).

Keeping these two things in mind, minimizing inventory and eliminating defects, Toyota was able to stay profitable for over 50 years. Their way of manufacturing came to be known as the
Toyota Production System (TPS) which then evolved into Lean production or Lean management (Čiarnienė & Vienažindienė, 2012).

**Core Values of Lean**

The core values that defined lean originate from Toyota, as mentioned above. They were first introduced to the world in the book *The Toyota Way* in 2001. The reason why it was first written down so late is because in many ways these values are derived from the Japanese culture and religion. It was not until Toyota began to expand its operations to other countries where the culture was different that they ran into problems with production. The values that define lean management are the spirit of challenge, *kaizen*, *genchi genbutsu*, teamwork, respect (Liker & Convis, 2011) and the all-important *muda* (“Muda, 7 wastes | kaizenworld.com,” n.d.).

For leaders using lean management, the spirit of challenge is a core value that should not be underestimated. For example, managers at Toyota have been trained to accept challenges with an open mindset and are encouraged to imagine solutions without losing the enthusiasm to succeed. The ability to take on challenges is a testament of the leader's character and is reflected in all steps that leaders take in their self-development. The drive for continuous improvement (*kaizen*) can be a difficult task for many managers since *kaizen* means that nothing is perfect and everything can be improved (Liker & Convis, 2011).

The Japanese metaphor can be simplified into three statements:

1. *Kaizen* is continuous – always improve something every day.
2. *Kaizen* is incremental – it is not necessary to take giant steps.
3. *Kaizen* requires participation from everyone – all employees need to take part no matter how small their role is within the organization (Paul Brunet & New, 2003).

When leaders must take critical decisions, experiencing the problem first hand can give the leader a deeper understanding of the problem and therefore being able to take an informed decision. This relates to the Japanese metaphor *gembi*, which means “the real place” in Japanese and resembles the act of a leader going to the origin of the problem to see it for himself (Dombrowski & Mielke, 2013).

Teamwork is a vital part of any organization. At Toyota teamwork is so important that they associate individual success with team success. They believe that an individual’s success will benefit the team that they work in. Therefore they will use their resources to help employees develop as individuals within the organization (Liker & Convis, 2011).
Respect is said to be one of the fundamental core values of lean. Without respect for the people of the community, the company is not playing its part in being part of the society. The company should be producing what the people need and be respectful of their wishes. Toyota made respect be above profitability in the order of importance, for an example when the United States plant was operating well below capacity the first thing the senior executives from Japan asked was “How is the morale of the team members?” They believe that the wellbeing of the employees is more important than the profitability, and they also know that if the employees feel that they are respected and that their work is valued that they will perform better (Liker & Convis, 2011).

Respect should not only be towards the people of the company and the community around it, but also towards the environment. When an organization is aware of the damage it is doing to the environment; they are more likely to want to do something about it (Liker & Convis, 2011). An example of that is when Toyota started to produce the Prius which is supposed to be an eco-friendly car that is good for the environment by reducing the carbon monoxide emissions (“Toyota Prius - Með hagkvæmni í fyrirrúmi,” n.d.).

*Muda* is the final core value of lean management. *Muda* is known as waste in Japanese (*muda* - *[Jisho.org](http://jisho.org)*, n.d.). The seven wastes were initially introduced in Ohno’s book and were they initially designed for manufacturing, but they can be implemented on to other services. The seven wastes are: *Transport* – goods should not be moved around for unnecessary purposes. The customers are not paying for it, so it is non-value adding for the product. *Inventory* – inventory are extra costs that the manufacturer has not gotten paid for. It is not value adding for the manufacturer to have sitting inventory. *Motion* – excessive motion will add to the production time and will be added as non-value-added time to the product. *Waiting* – the act of waiting is a time when a product is not being produced, and resources are being wasted. Waiting is also the enemy of flow. *Overproduction* – is terrible for both the lead time as well as the flow of a production to overproduce. Overproduction leads to inventory which is a waste of money and resources. *Over-processing* – the act of over-processing is when products or parts are produced using over-qualified resources, and therefore the resources are being wasted. *Defects* – producing goods that do not stand quality control require fixing and therefore take longer to produce in total. Needing to fix the end product is a waste of money and resources (Bicheno & Holweg, 2009).

Over the years, “wastes” have been added to the list as the operation and manufacturing environment changes and evolves. There are dozens of possible wastes, but two of the most important are:
1. Waste of human being – under-utilizing human resources, their knowledge and time working in the company, ex. a worker whose job is to watch a machine work.
2. Waste of natural resources – as the awareness of global warming and resource scarcity and the cost (the cost towards the planet) of obtaining the resources rises, organizations find the need to minimize their carbon footprint by eliminating waste (“Muda, 7 wastes | kaizenworld.com,” n.d.).

**Who can use Lean Management?**

Since lean management became a recognized style of leadership many different versions have been created, each one specific for different sectors of the market and application (“Lean Management Case Studies | Lean Enterprise Institute,” n.d.). A few companies in Iceland have taken the step to become a lean organization. KPMG Iceland is a firm that offers various consulting services, accounting and legal advice. They have used lean to become a leading consulting firm in Iceland by emphasizing on eliminating waste and examining the customers’ needs first (“Lean (Straumlinustjórnun) | KPMG Ísland,” 2019).

Another example of a company that has embraced lean management is the American company FastCap that specializes in inventing and selling tools that aid woodworkers and cabinet makers (“About FastCap,” n.d.). The owner of FastCap, Paul Akers, introduced lean when the financial crisis hit in 2007 and he needed a way to keep the company from going bankrupt. So, instead of reducing both labor- and other operational costs he looked at an alternative way of keeping the company alive. That is when he heard about lean management, and now FastCap is a glorified example of how a company can change is culture and be as lean as possible (Akers, 2016).

The three companies mentioned here above show that lean management can fit into many different types of organizations. As mention above there are many different versions of lean management depending on what type of organization wants to use it. The three companies are all very different, one is a consulting firm, another is a small tools manufacturer while the last one is a major car manufacturer. This show that size is not an issue and lean management can always be modified.
2.5. Laissez-Faire Leadership

**The History of Laissez-Faire**

Laissez-faire is an old concept, and according to folklore, the phrase is derived from an answer that Jean-Baptiste Colbert received when he asked industrialists what actions the government could take to help struggling businesses. The phrase was: “Leave us alone”. The philosophy of Laissez-faire has been associated with a group of economists known as Physiocrats who flourished in the 18th century in France (“laissez-faire | Definition & History,” n.d.; “Physiocrat | economics,” n.d.). The Physiocrats were known for their “…belief that government policy should not interfere with the operation of natural economic laws…” (“Physiocrat | economics,” n.d.).

Laissez-faire was strongly supported in early economics and especially in the hands of Adam Smith (“laissez-faire | Definition & History,” n.d.). Adam Smith is a well-known Scottish social philosopher who lived between 1723 and 1790. He introduced the concept of Laissez-fair in Book V where he “…outlines that four main stages of organization through with society is impelled…” (“Adam Smith | Biography, Books, & Facts,” n.d.).

The leadership style was not introduced until in the 1930s when Kurt Lewin did a study called “Leadership and Group Life” (“What is Laissez-Faire Leadership?,” 2018). Kurt Lewin was a German-born American social psychologist. It was not until in his later years that he started to study group dynamics, especially the effects of democratic, autocratic, and laissez-faire leadership on groups of children (“Kurt Lewin | American social psychologist,” n.d.).

According to Merriam-Webster dictionary, Laissez-Faire leadership is “a philosophy or practice characterized by a usually deliberate abstention from direction or interference especially with individual freedom of choice action” (Definition of LAISSEZ-FAIRE, 2019). Laissez-faire leadership is different from other leadership styles because, instead of one individual making all the decisions, the decision making is delegated to other employees. For example, the manager or director of the organization would usually not take decisions regarding the organization. However the employees would take the decisions (“What is Laissez-Faire Leadership?,” 2018). Laissez-faire leadership is not a viable option for all organizations. For the style to be successful, the organization needs to have a strong self-direction. An example of such an organization are law firms, consulting firms, and high-tech companies. What characterizes these firms is that they all have employees that work independently and are not dependent on another part of the organization (Marques, 2006).
The Principles of Laissez-Faire Leadership

There are a few characteristics that laissez-faire leaders have in common. Laissez-faire leaders believe in delegating their authority to other capable experts. They also want to develop their employees’ leadership skill. Laissez-faire leaders believe in rewarding successes but also offering constructive criticism when they see fit. Giving their employees freedom to take on challenges and try and solve them on their own which is essential for self-development. When there is a crisis looming, laissez-faire leaders are ready to take control and lead their team towards calmer seas (“What is Laissez-Faire Leadership?,” 2018).

Laissez-faire is not guaranteed to work for all organizations. In order for laissez-fair leadership to be successful, leaders need to surround themselves with the right employees. Typically, they will hire employees who possess specific characteristics. Employees must have a robust skill set and have a strong education that they can use, as well as experience in their field of work. Being able to motivate themselves and strive towards their own goals without having their hand held the whole way is very appealing to laissez-faire leaders. The employees that are hired usually have a proven record of achievement that makes them stand out in their specific field of work. Probably one of the most essential characteristics of employees hired by laissez-faire leaders is the ability to work without close supervision. Leaders using this style are not the hovering type, so they expect their employees to be able to work on their own (Frischer, 2006).

Who can use Laissez-Faire Leadership?

One of the world leading producers of motherboards and other computer components, Intel is one globally recognizable company that was led by a laissez-faire leader. The company was run by Robert Noyce when it first started in the 1960s. The fact that Noyce used laissez-faire leadership was appealing to engineers who founded Intel. As the company grew the laissez-faire leadership style was no longer optimal. Another company that was led by a laissez-faire leader was Microsoft under the control of Paul Allen, co-founder of Microsoft. This was not the only organization that Paul Allen managed with this leadership style; he later on, managed NFL’s Seattle Seahawks and NBA’s Portland Trail Blazers.

The laissez-faire leadership style is not only suitable for companies but also large-scale projects. Some of these projects were the transcontinental railroad, the Panama Canal, the Hoover Dam, and the interstate highway system. The reason for why laissez-faire was the perfect leadership style for a leader of such a large project is because it is not possible for a
single person to complete them without delegating authority to experts (“What is Laissez-Faire Leadership?,” 2018).

2.6. Servant Leadership

The History of Servant Leadership

The mastermind behind servant leadership is Robert K. Greenleaf, who was born during the industrial revolution in Haute, Indiana. His parents were working-class people that encouraged him to do whatever interested him. After graduating from university, he worked in employee management research, development, and education at AT&T. He worked at AT&T for most of his working life, but after he retired from AT&T, he began teaching and introducing Servant Leadership in his writings. He published five books on the topic of Servant leadership and how it could be used in everyday organizations (“Robert K. Greenleaf Biography,” n.d.).

The inspiration of servant leadership is very unusual and exciting at the same time. It all started when Greenleaf read the book *Journey to the East* written by Hermann Hesse. *Journey to the East* is a fictional autobiographical that follows a group of men that go on a quest and bring a servant with them. During the first part of the journey everything goes well; the group of men are all working together towards their goal. Then all of a sudden the servant disappears, and the group falls apart. This is when the men realize that the real leader of the group was the servant because he kept everyone content by tending to their needs so they could focus in trying to complete their quest (“Hermann Hesse,” 2017). The Moral of the story is that great leaders are a servant first which is the main philosophy behind servant leadership (Greenleaf & Spears, 2002).

The Principles of Servant Leadership

The main principle of Servant leadership is serving first and be a leader second, which he depicted in his original essay *The Servant as Leader*. According to Larry C. Spears, there are ten characteristics of servant leaders.

Listening is a critical skill for any leader, and especially servant leaders. Leaders are usually valued for their decision-making skills and communication, but often listening is forgotten. Listening to what other people are saying is critical when making any decisions, as well as getting in touch with “one’s body, spirit, and mind.” Without listening to one’s self and others around them is essential to growing as a servant leader (Greenleaf & Spears, 1998).
A servant leader must be able to understand and empathize with others. When people feel that they are being heard and understood they automatically feel more valued as a human being. The power of being able to help heal someone’s relationship is a gift. Servant leaders recognize that it is a great strength being able to heal one’s self and one’s relationship with others. As Greenleaf wrote in his essay The Servant as Leader, “There is something subtle communicated to one who is being served and led if, implicit in the compact between servant-leader and led, is the understanding that the search for wholeness is something they share” (Greenleaf & Spears, 1998).

The leader’s ability to be self-aware and aware of what is happening around him is a massive asset to his leadership skills. Being aware allows leaders to view situations from a more holistic and integrated position (Greenleaf & Spears, 1998). Servant leaders seek to convince others instead of forcing their compliance. This characteristic is what distinguishes servant leadership from other leadership styles. “A servant leader is effective in building consensus within groups” (Greenleaf & Spears, 1998)

The ability to look at a problem and an organization from a conceptualizing perspective means that they are looking at the big picture, not only the day-to-day business. Being able to do this takes discipline and practice. Servant leaders believe in developing a “…balance between conceptual thinking and a day-to-day focused approach” (Greenleaf & Spears, 1998).

The ability to foresee a likely outcome is difficult, but something that servant leaders need to understand. The ability “…to understand the lessons from the past, the realities of the present, and the likely consequence of a decision for the future” takes practice and the ability to conceptualize problems or situations (Greenleaf & Spears, 1998).

According to Peter Block, stewardship is defined as “holding something on trust for another.” Servant leadership commits to serving others first and foremost and emphasizes the use of openness and persuasion, rather than control (Greenleaf & Spears, 1998).

Servant leaders believe that employees have a lot more to give than what is given at work. People should be given the ability to grow as individuals which can be done by giving them opportunities within the organization, have funds available for both professional and individual development, leaders and managers taking personal interest in employees’ ideas and suggestions, as well as giving them an opportunity to be a part of decision making (Greenleaf & Spears, 1998).

In recent history organizations have shifted from being local to more substantial and global enterprises. This shift has caused some concern with servant leaders; they believe that the sense
of community is vital for organizations and that rebuilding a community is a vital part of any organization (Greenleaf & Spears, 1998).

**Who can use Servant Leadership?**

Southwest Airlines is an excellent example of a company that has been led by directors that use servant leadership. Among Southwest Airlines, several Fortune magazine’s list of the 100 best companies to work for have been led by servant leaders. Southwest Airlines emphasizes on employees first, customers second, and people third. They believe that if they start by treating their employees well, they will carry that kindness onto the customers and so forth, this is one of the reasons why Southwest Airlines says that every employee is a vital piece in the big puzzle that is the organization (McGee-Cooper, Trammell, & Kosec, 2001).

Another example is TDIIndustries. The organization is employee-owned, which means that all employees are partners in the company. This was taken into action in the 1950s during a meeting where employees decided with the management that instead of having an incentive scheme, the employees would share the benefits of ownership (McGee-Cooper et al., 2001).

These companies show that any organization can take on servant leadership, the only thing that the leaders need to do is remember to be a servant first and leader second.
2.7. The Hudson’s Leadership Model

Hudson is a recruitment agency that specializes in matching organizations and managers. They are a platform for both employers looking for employees with management potential. Hudson has developed an assessment program that helps organizations identify potential talent that will fit the organization’s credentials. An individual’s assessment will be mapped in Hudson’s Leadership Model as seen in figure 1 (“Identify leaders | Hudson,” n.d.).

![Hudson's Leadership Model](image)

*Figure 1: Hudson's Leadership Model*

The Hudson’s Leadership Model is a model that is used to compare leadership styles and leaders. The model is mostly used by executives and senior managers to look for potential managers or leaders within an organization, and determine areas for improvement for individual employees (*The Hudson Leadership Bluepring*, 2016).

The Hudson’s leadership model is divided into five fields: vision, action, impact, connection, and drive. The first area is vision which is the leader’s future goal for the organization (“Identify leaders | Hudson,” n.d.). This is also where the individual’s ability to put into words where the organization strives to be in the future. According to John Ryan, “leadership success always starts with a vision.” A compelling vision has the power to drive and inspire the work of individuals (“The Three Fundamentals Of Effective Leadership,” n.d.).

The second area is action which is the leader’s ability to make decisions and manage change and uncertainty in the work environment (“Identify leaders | Hudson,” n.d.). In today’s fast-paced world, a leader’s need to make decisions are becoming more frequent, more complicated, and have more significant consequences (Gleeson, n.d.). That is why decision making is extremely important for any leaders to be successful.
The third area is impact which is a leader’s skill to make his employees feel a sense of importance, and that they are being used to their full potential is crucial for the future success of the organization, and what sort of impact does a leader have in its employees (“Identify leaders | Hudson,” n.d.).

The fourth area is connection/communication; a leader’s ability to connect with its employees as well as customers is important and can be defining of a great leader (“Identify leaders | Hudson,” n.d.). A leader’s ability to communicate and make connections is one of the critical elements of a great leader. Great leaders have always been known to be first-class communicators but being great at communicating does not mean that a leader is only good at talking, but he is also great at listening. That is why connecting is key to becoming a great leader (Luthra & Dahiya, 2015).

The fifth area is drive; what is it that drives leaders to accomplish their goals, what feeds their ambition (“Identify leaders | Hudson,” n.d.). Great leaders possess a drive that is contagious to other workers. Without drive, a leader is no better than any other worker, but a leader that has a drive for success can motivate his/her employees to want to strive for the same goal (“Leadership Traits That Increase a Leader’s Effectiveness,” n.d.).

The Hudson’s Leadership Model is considered to be a great tool to evaluate a leader. The Model uses five areas that evaluate a leader: vision, action, impact, connection, and drive (“Identify leaders | Hudson,” n.d.). The variety of areas studied in the model makes this the best tool to comprehensively compare traits within each style.
3. Method

This chapter describes the research methods used in this thesis and how the final results are concluded. A step by step description of how the thesis was executed as well as where supporting sources are to be found. The thesis was executed in the following order.

The thesis is written as a research paper based on scholarly articles, research articles and scholar books.

In the beginning of the thesis is an introduction of leadership, the base of the chapter are two articles, published in 2016 and 2018, about leadership and leadership styles written by Gandolfi, F., & Stone, S. To briefly introduce the three leadership styles that are compared in the thesis, an article published on Forbes, *The Rise of Lean And Why It Matters* was used, as well as the articles *Think Servant Leadership Is Too Good To Be True? Why It’s The Best Investment A Business Can Make* and *Servant leadership: a journey into the nature of legitimate power and greatness* were also used.

In the second chapter, Theoretical background, sources from the books: *The Bass handbook of leadership: theory, research, and managerial applications* were used as well as *Leiðtogafærni: sjálfsskilningur, þroski og þróun* and *Leadership: theory and practice*. These books are the foundation for the chapter. In addition, articles written by professors in the field of management and business were used to broaden the readers experience. To explain the definition of leadership and the history behind it the Merriam-Webster online dictionary was used.

To describe the three leadership styles chosen in detail, the history of the leadership style, what its origins are and who introduced it are discussed. The books such as *The Story of Sakichi Toyoda | Toyota Industries Corporation, laissez-faire | Definition & History* and an article written by Greenleaf, R. K., & Spears, L. C. were used. Secondly, the main principles of the style were described using similar leadership orientated scholarly books and articles. Information from KPMG Iceland’s website and Southwest Airlines’ corporate websites were used to give examples of companies using different leadership styles.

The model used to compare the three leadership styles was Hudson’s Leadership Model. To explain the model, how it is interpreted and used in today’s businesses the book *Identify leaders | Hudson*, a Forbes article: *The Three Fundamentals of Effective Leadership* and an article from Chron – Small business: *Leadership Traits That Increase a Leader’s Effectiveness*.

To compare the leadership styles using the Hudson’s Leadership Model, the core values discussed in the theoretical chapter for each leadership style are implemented in the model’s
five fields. By applying the core values into the Hudson’s Leadership Model, a comparison table is made for each field of the model. The comparison table compares each leadership style within the specific field of the model. To answer the research question of the thesis a result summary was written based on the comparison table generated from Hudson’s Leadership Model. The summary was written using three primary sources, the books *The Toyota way to lean leadership: achieving and sustaining excellence through leadership development*, *The power of servant-leadership: essays*, and the university article What is Laissez-Faire Leadership?
4. Results

This chapter presents the results from comparing the three leadership styles, Lean management, Laissez-Faire Leadership and Servant Leadership, using the Hudson’s Leadership Model. The results are compared in a table in each field of the model and summarized at the end.

4.1. Vision

Every leader’s success starts with a vision. A vision is essential for both the success of the organization or company as well as the productivity of the employees. A leader’s vision is what defines his effectiveness as a leader. It has been said that a vision is one of the fundamentals of a leader and without it he has a lack of direction, values, and passion for the future of the organization that he is leading. A leader’s vision should be challenged to be put into action in order for the demanding goals to be reached (Ryan, n.d.).

*Table 1: Vision Criteria*

<table>
<thead>
<tr>
<th>Leadership Style</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lean Management</td>
<td>Simplicity</td>
</tr>
<tr>
<td></td>
<td>Continuous improvement</td>
</tr>
<tr>
<td></td>
<td>Eliminating waste</td>
</tr>
<tr>
<td>Laissez-Faire Leadership</td>
<td>Goals are easy to follow by employees</td>
</tr>
<tr>
<td></td>
<td>Goals are shared by all employees</td>
</tr>
<tr>
<td></td>
<td>The process is flexible enough for employees to work out themselves</td>
</tr>
<tr>
<td>Servant Leadership</td>
<td>Employees first</td>
</tr>
<tr>
<td></td>
<td>Accountable results</td>
</tr>
<tr>
<td></td>
<td>Own success is measured by the success of those they lead</td>
</tr>
</tbody>
</table>

A lean vision is all about simplicity. The goals for the future are simple and easy to follow by all employees of the organization. The vision should be easy to measure and change if the need arises. A lean vision also contains some vagueness of continuous improvement. One of the core values of lean is continuous improvement, and without some sort of improvement in the vision of the organization the vision will no longer be a lean vision. The third goal that a lean manager will include is the need to strive towards eliminating waste; it does not matter if it is
environmental waste or waste in operation. A vision for lean management will follow the core values of lean (Liker & Convis, 2011).

Laissez-faire leadership has a vision that is easy to follow by the employees. The reason for that is because of the freedom the employees have and the lack of hovering by the leaders. The goal of the organization should be shared by all the employees. That way the employees are more involved in following through. The last thing a vision made by a laissez-faire leader will have is flexibility for the employees to figure out their way of reaching the final goal (“What is Laissez-Faire Leadership?,” 2018).

Servant leadership will have a vision that puts the employees first. Servant leadership is all about serving first and leading second. That is why it is a key feature of that servant leadership that employees be put ahead of the organizational operation goals. A servant vision will also have accountable results. Even though employees are put first, there are still measurable results that will show the progress of the organization. Lastly, the success of the leader is measured by the success of those he leads. That is key to the vision of a servant leader; he will see if the goals have been reached by the success of the employees (Greenleaf & Spears, 1998).

4.2. Action

Leaders are faced with dozens of decisions each day, with the growing organization and challenging business environments the decisions become increasingly more difficult and have more significant consequences. Sometimes there comes a time when decisions seem impossible, but they have to be taken. Every leadership style has a different approach to making decisions, but no matter what decision is being talked about the decision will always be taken. A way a leader takes a decision can influence how tolerant the organization is to change and uncertainty (Gleeson, n.d.).

Table 2: Action Criteria

<table>
<thead>
<tr>
<th>Leadership Style</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lean Management</td>
<td>Continuous improvement</td>
</tr>
<tr>
<td></td>
<td>Fast decision making</td>
</tr>
<tr>
<td></td>
<td>Employees take part in decision making</td>
</tr>
<tr>
<td>Laissez-Faire Leadership</td>
<td>Employees make decision</td>
</tr>
<tr>
<td></td>
<td>Very little guidance from leaders</td>
</tr>
<tr>
<td></td>
<td>Leaders take responsibility for employees’ decisions</td>
</tr>
</tbody>
</table>
Lean management is action driven. One of the critical values of lean management is *kaizen* which means constant improvement. Organizations that are led by lean managers who practice making small improvements every day, it does not have to be big or small, just as long as it is some sort of improvement to the work they are doing. Lean managers are fast in making decisions. They have the expertise of their employees and their first-hand knowledge of problems to make decisions. Their ability to make quick decisions is what keeps lean managed organizations relevant in their field of work. Lean managers try to be flexible and capable of making decisions that help the organization stay ahead to other organization. Lean managers believe that getting employees to take part in the decision-making process is very important, employees will sometimes have a better understanding of the problem and therefore will see a different solution than the manager (Liker & Convis, 2011).

Laissez-faire leaders empower the employees to act. Decision making is almost always in the hands of the employees, but the leaders take responsibility for the decisions and actions taken by employees. The only way that this works is if the employees are highly trained and have a vast knowledge of the field, they work in. Laissez-faire leaders tend to take a step back and give very little guidance to their employees. They will though always step in if they see that the employees are in trouble, but they let them try and figure their way through it first (“What is Laissez-Faire Leadership?,” 2018).

Servant leadership makes their decisions through a collaborative effort from the employees and the leaders. This makes the employees feel heard and that they are contributing to the organization. Servant leaders believe that community is key within an organization and therefore the creation of trust is important. Servant leaders are a part of the organization and believe that they should adjust themselves to the employees of the organization. That way the leader is fulfilling is serving duties towards the employees (Greenleaf & Spears, 1998).

### 4.3. Impact

The impact a leader has on its employees as well as the organization is a testament of its success. Even though employees and leaders both have an effect on an organization the effect of the leader is much greater than that of the employee. The impact that leaders have on the
employees will affect the company culture which revolves around employee engagement, atmosphere, and the success of the company and its clients. Different leadership styles have different emphasis, and that emphasis will have different impacts on the organization and its employees (Craig, n.d.).

Table 3: Impact Criteria

<table>
<thead>
<tr>
<th>Leadership Style</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lean Management</td>
<td>Encourage employees</td>
</tr>
<tr>
<td></td>
<td>Efficiency in processes</td>
</tr>
<tr>
<td></td>
<td>Quality of work</td>
</tr>
<tr>
<td>Laissez-Faire Leadership</td>
<td>Trust towards employees</td>
</tr>
<tr>
<td></td>
<td>Employees feel a sense of pride towards their work</td>
</tr>
<tr>
<td></td>
<td>Employees feel challenged</td>
</tr>
<tr>
<td>Servant Leadership</td>
<td>Encourage employees to develop</td>
</tr>
<tr>
<td></td>
<td>Creates a more caring organization/community</td>
</tr>
<tr>
<td></td>
<td>Organization becomes stronger and more efficient</td>
</tr>
</tbody>
</table>

Lean managers look at themselves as coaches or teachers to their employees. Lean leaders are always trying to get their employees to think lean and therefore spread the lean philosophy. An organization is not truly a lean organization until every single employee embraces the lean culture. It is the leader’s job to lead by example and encourage other employees to do the same. Lean managers strive to be efficient and especially make processes efficient. With increased efficiency waste will be eliminated which can also be done with increased quality to work. Lean management will impact a shift in processes making them more efficient and increase quality in the processes done within the organization (Liker & Convis, 2011).

Laissez-faire leadership works on trust towards the employees. Employees are expected to work independently within groups and without constant feedback from leaders and managers. This trust will encourage the employees to be creative and take on challenges and work through them. Encouraging employees to be independent in their own work will make them feel a sense of pride for what they are doing and therefore motivate them to take on more challenges (“What is Laissez-Faire Leadership?,” 2018).
Servant leaders believe in encouraging their employees to develop within organizations and as individuals. By doing that they are more likely to be more loyal towards the organization. Having an organization that is made up of employees that are loyal creates a sense of community within the organization that is caring. This is done by encouraging the employees to follow the leader’s example and become servants in their line of work. Organizations that have a servant leader tend to become more strong and effective because of the impact the leader has on the employees (Greenleaf & Spears, 1998).

4.4. Connection

A leader’s ability to connect with its employees is very important for the success of an organization. The connection a leader is able to make with its employees is what drive the employees towards success, leaders teach and mentor their employees to give them the best possible chance to grow and develop within the company. Not all leadership styles are equal when it comes to their emphasis on connecting with their employees, but they all strive towards the same goal of having purpose driven employees (Trapp, n.d.).

<table>
<thead>
<tr>
<th>Leadership Style</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lean Management</td>
<td>Mentoring</td>
</tr>
<tr>
<td></td>
<td>Engage employees</td>
</tr>
<tr>
<td></td>
<td>Employees feel a sense of accomplishment</td>
</tr>
<tr>
<td>Laissez-Faire Leadership</td>
<td>Little or no direction from leaders to employees</td>
</tr>
<tr>
<td></td>
<td>Employees are given a lot of freedom</td>
</tr>
<tr>
<td></td>
<td>Leaders step in if they see the need to</td>
</tr>
<tr>
<td>Servant Leadership</td>
<td>Engaged employees</td>
</tr>
<tr>
<td></td>
<td>Empower and develop employees</td>
</tr>
<tr>
<td></td>
<td>Coaching</td>
</tr>
</tbody>
</table>

Lean management is all about teaching and mentoring employees. Employees don’t necessarily see their managers as just “managers” but also as teachers, and someone to learn from. This is one of the reasons why lean managers are able to keep a good connection with their employees, it also makes the employees feel valued and that they are getting an opportunity to develop.
Getting the opportunity to develop will help the employees gain confidence in their line of work and employees feel a sense of accomplishment for the work they do (Liker & Convis, 2011).

Laissez-faire leaders proved little to no guidance to their employees. Employees are expected to be independent in their work and therefore managers/leaders give them a lot of freedom to go their own path. Even though laissez-faire leaders give a lot of freedom they are still going to step in if they see that employees are struggling and in need of support in some way or another (“What is Laissez-Faire Leadership?,” 2018).

Servant leaders are there to serve others. Servant leaders strive to engage their employees to be servers in their line of work. They encourage their employees to do their best and empower them in their line of work through personal development. Servant leaders are there to help employees develop through coaching and training. Servant leaders think of themselves as mentors that aid employees in achieving their best in what they do (Greenleaf & Spears, 1998).

4.5. Drive

Business is all about getting results. What drives the leader towards those results is dependent on the leadership style and the drive behind it. The drive of a leader is what his/her goal for the organization and the motivation behind it is. It is very hard for leaders to strive for something if they don’t have the motivation to reach for it, so every leader must have some sort of drive.

A leader’s drive is also what motivates him to become a great leader (Edinger, n.d.).

*Table 5: Drive Criteria*

<table>
<thead>
<tr>
<th>Leadership Style</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lean Management</td>
<td>Eliminating waste</td>
</tr>
<tr>
<td></td>
<td>Efficiency in processes</td>
</tr>
<tr>
<td></td>
<td>Increased value</td>
</tr>
<tr>
<td>Laissez-Faire Leadership</td>
<td>Creative and motivating environment</td>
</tr>
<tr>
<td></td>
<td>Utilization of employee creativity</td>
</tr>
<tr>
<td></td>
<td>Trust in the workplace</td>
</tr>
<tr>
<td>Servant Leadership</td>
<td>The feeling of wanting to serve first and lead second</td>
</tr>
<tr>
<td></td>
<td>Effective organization</td>
</tr>
<tr>
<td></td>
<td>Creation of community</td>
</tr>
</tbody>
</table>
Lean is always driven by eliminating waste and running an organization in the most efficient way possible. The elimination of waste is an important factor of lean and can make processes more efficient and increase value within the organization (Liker & Convis, 2011). Laissez-faire leaders motivated by the employees, they believe that freedom will give the employees room to be creative and motivated by their own progress. Employees need room to be creative, and creativity can lead to better running operations and a better workplace. Laissez-faire leaders aim to have trust in the workplace. Trust is key when an organization is so open and free. Leaders need to trust that their employees will get the job done (“What is Laissez-Faire Leadership?,” 2018).

Servant leaders are driven by the need to serve others. They believe that by serving they are leading by example and therefore encouraging others to want to serve as well in their line of work. Servant leaders want to have an effective organization that is driven by the need to serve. Servant leaders are also driven by the need to form communities. They believe that with communities the welfare of the organization will be better (Greenleaf & Spears, 1998).
5. Discussion

The main purpose of this descriptive research is to compare lean management, laissez-faire leadership, and servant leadership. Using a defined leadership model to compare these leadership styles should aid in making a comprehensive comparison and see where the similarities and the differences lie. In this section, the main findings will be discussed, as well what was interesting about the results.

5.1. Lean Management

In the theoretical background of lean management, there were a few core values that are the backbone this leadership style. As mention above there are six core values of lean management, spirit of challenge, continuous improvement, gembi, teamwork, respect, and the elimination of waste. What is interesting is that according to the results not everything has equal weight. There are three aspects that pop up more than once, continuous improvement, the elimination of waste, and efficiency in processes.

In one way or another, all of the aspects mention in the model can be connected to the six-core value of lean. Starting with the vision field of the model, simplicity, continuous improvement and elimination of waste are mentioned. The last two are direct core values of lean, but simplicity is not. Simplicity is an effect of practicing the six core values. The actions of a lean leader are all derived from the core values in one way or another.

Continuous improvement is an important action according to the theoretical chapter, but what is interesting is that according to the results lean management borrows some aspects from different leadership styles, fast decision making and employee participation in taking decisions. Fast decision making is not one of the core values of lean and neither is employee participation in decision making. This is very interesting, especially since they both have an effect on the operation of an organization.

It is very interesting that there is only one connection between the theoretical chapter and the results in the impact part, efficiency in processes. Efficiency in processes is an effect of practicing all the core values in an organization. The other two aspects are like in the part mention before, borrowed from other leadership styles. Encouraging employees is a very important aspect of any leader as mentioned in the leadership skills chapter so there is no surprise that is a vital part of a lean leader’s impact.
There are no direct connections between the connection part of the results and the theoretical chapter. All three aspects are derived from different leadership styles, but they are also closely connected to leadership skills as mentioned in chapter 2 here above. The first aspect of a lean leader’s drive is one of the core values mentioned in the theoretical chapter, but what is interesting is that the other two aspects are effects of a leader practicing lean management. Efficiency in processes and increased value can be expected results when a leader eliminates waste and continuously improves its processes.

5.2. Laissez-Faire Leadership

Laissez-faire leaders have a very distinct leadership style. They believe in letting things be which is evident in the results. The vision that a laissez-faire leader leads by are not exactly the same as the core values of the leadership style. There is very little mention of the leader’s goals and vision in the core value, but it is very interesting that two of the aspects mentioned in the results are closely related to a leader’s skills set. A leader tries his best to motivate his employees to make them want to work towards a common goal. The last point regarding the vision of a laissez-faire leader is derived from one of the core values of this leadership style. Allowing employees to test the waters and find their own way out of a problem is critical, especially since laissez-faire leaders believe in letting things be and giving their employees the freedom to work things out themselves.

This leadership style does not embrace the hands-on approach to leadership. Laissez-faire leaders are advocates for letting employees take decisions by themselves, allowing employees figure things out themselves. That way the leaders are handing the power over to the employees. All these aspects from the results correspond to what was discussed in the theoretical chapter. As mentioned above laissez-faire leaders take a step back from the employees and allow them to take control. What is very interesting, but not really surprising is that when leaders or managers feel that employees are in need of help, they are there to support them, but leaders will always to responsibility for the decision that the employees take. The trust that laissez-faire leaders have in their employees is adamant to their character. They use the core values as a guide for every day operation to motivate the employees. What is interesting is that the employees tend to embrace the freedom that they are given and therefore become very proud of the work they accomplish, because it is their own. This freedom also brings up the aspect of challenge towards the employees which is one of the core values mentioned in the theoretical chapter above.
The connection that leaders using this leadership style is very different from other leadership styles. The freedom that the employees are given is not like any other style discussed in this thesis, but this freedom comes with a price of getting little to no direction from the managers, but that does not mean that employees will get any assistance if they need it. Even though these aspects from the results are not identical to the core values they are very similar and serve the same purpose.

A laissez-faire leader is driven by the need to create an environment for the employees that will help them in creating value for the organization. Having a creative and motivating environment is very important, this will help the employees to be able to be creative in the work and therefore the organization is able to utilize the employee full potential. What is interesting is that these aspects are not a part of the core values mentioned in the theoretical chapter, but that does not make them any less important. The ability to utilize an employee’s full potential will create more value for an organization which is one of the main goals of all leaders. The last point mentioned in the results regarding the drive behind laissez-faire leadership is trust in the workplace. Laissez-faire leadership will not work unless there is mutual trust within the workplace which allows the leaders to take a step back while the employees enjoy the freedom.

5.3. Servant Leadership

Servant leaders follow the philosophy of being a servant first and lead second. That philosophy is a continuous theme throughout the results. This can clearly be seen in the vision part of the results, especially since the first point is leaders want to put the employees first. Employees are the biggest factor in the organization according to servant leaders, so there is no surprise that employees come first in the eyes of the leaders. Servant leaders measure their own success by the success of the leaders which also indicates how important the employees are to the leaders.

These aspects from the results are not new and are some of the core values of servant leadership, but one interesting aspect was not mentioned and that is accountable results. What that means is that leaders motivate their employees to strive towards a common goal. The results that the leader is looking for starts with him and he knows that he has to work his way towards the final results with the employees.

What characterizes servant leaders is that they believe all actions that they take start with themselves. That is why servant leaders want to make sure they lead by example. A believe that with making the employees take part in taking decisions will support the employee’s growth and development within the organization, it also creates trust and commitment and
makes the employees feel that their input is valued. These aspects all support two of the core values mentioned in the theoretical chapter, the commitment to the growth of the employees and the building of a community. On point in the results is not a direct match to the core values, but it can aid in making a servant leader be successful in accomplishing a smooth transition into an organization. Servant leaders want to make sure that they adjust to the needs of the employees instead of the employee adjusting to the new leader. The latter could possibly disrupt the morale within the organization which can be hard to build up again.

The impact that servant leaders want to have on the employees and the organization are not all the same as the core values. The only aspect that is identical to a core value of servant leadership is the encouragement of employees. Leaders using this leadership style want their employee to develop within the organization as well as individuals. The other two aspects mentioned in the results are affects of servant leadership. If leaders follow the core values, they are likely to create a more caring organization and community and in the long run make the organization stronger and more effective. What is interesting is that the act of wanting to make a caring organization and community is truly an important factor to servant leaders. One of the core values is to create a community so there is no surprise there.

Servant leaders want to be involved in organization they strive to be engaged with the employees as well as empower them to develop within the organization and as individuals. An important aspect of servant leadership is coaching the employees, so they become more valuable to the organization. These points from the results are not new to servant leadership and undoubtedly support the theoretical chapter here above.

The drive behind a servant leader is directly driven from core values mention in the theoretical chapter. According to the results servant leaders serve first and lead second, they want to make their organization effective, and they strive to create a great community. These three points all support the theoretical background discussed above. This is not really surprising since servant leaders are strongly driven by the need to serve.

5.4. Similarities and Differences

The results of the comparison of the leadership styles using the Hudson’s Leadership Model can be summarized into two points:

Firstly, the leadership styles are not that different from one another. Even though the leadership styles all come from different places and have different back stories there are still a few similarities that link them together. The areas that link the leadership styles together are firstly,
the impact that the leaders have on the organization and the employees. All the leadership styles want the employees to take part in the decision that are made within the organization, which shows that involvement is very important. And secondly, all leadership styles have an emphasis encouraging and challenge their employees to do better and progress within the organization. Secondly, the leadership styles all strive towards a common goal. No matter how different the leadership styles are and how far apart their origin is they all strive towards managing a successful operation. There is no point for a leader to consider a leadership style if the operation he is running is not going to become successful. An organization does not have to become global or extremely profitable to become successful, it just has to go by its day-to-day operations without closing down.
6. Conclusion

The main goal of this thesis was to compare lean management, laissez-faire leadership, and servant leadership using Hudson’s leadership model. This was done by using the vast number of books, researches, and scholarly journal articles that are available. The objective was to give the reader a comprehensive understanding of the three leadership styles mentioned above, their history and how the style developed into what it is known for today. The Hudson’s Leadership Model was then used to create a standard format for comparison. The results of the comparison showed that each leadership style have different emphasis, but they are all striving towards a common goal. The different approaches that the leadership styles take to manage their organization very differently, lean management uses a hands-on approach to manage its employees and is ready to stand in their shoes to find the best way to run an organization. Laissez-faire leadership is the exact opposite of lean management. The main philosophy behind laissez-faire is to “let be.” Allow the employees find their own way in problem solving and projects. Leaders are always aware of what is going on within the organization and take full responsibility for all the decision that are taken, but if they are not needed, they do not interfere with the operation. Servant leadership is a good medium between lean management and laissez-faire leadership. Servant leaders are there to help and guide their employees when they need guidance, but they allow them to roam free if that is what is needed for the organization to succeed. The act of serving first and be a leader second is a way of getting employees to believe in the cause and want to pay it forward, that way servant leadership is like a chain of care within the organization.

For future studies of lean-, laissez-faire-, and servant leadership it could be interesting to look into different organizations that use these leadership styles and look if there are any limitations to the leadership style and if the type of organization or company has any effect on how effective the leader is. This could be done by taking a few companies for each leadership style and compare them and see if one leadership style works best for any specific company type.
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