

## **Laissez-faire – the third option that completes the organizational design set**

The papers in this section concern the phenomenon of laissez-faire that was discovered as part of the investigation of autocracy and democracy, the famous series of experiments carried out in the United States from 1938 to 1940. We feature it here as a separate area of interest if not major concern as it exposes two of the deadly conceptual malaises operating undercover at the heart of our culture and therefore, our organizations:

- a belief that individualism or individuality does and should take priority over our collectivism, our intrinsic sociality and need to belong as group creatures. The reality of course is vastly different in that our individuality can grow only when we experience belonging in a cohesive and supportive group (Emery M, 1999, pp12-17).
- a belief that reality is best conveyed basically through answering the question ‘what is it?’ The answer consists of statements about the essence of generic things, nouns, context free. This produces a static, closed systems approach to reality that cannot deal adequately with novelty or change. This reliance on nouns as reality leads to such distortions of thinking as believing a change of name from ‘supervisor’ to ‘team leader’ changes any organizational realities. The design principles and the work of democratization on the other hand are grounded in the opposite theory that starts with the question ‘what does it do?’

This introduction cannot delve into the deeper substrata that underlie these views but they can be found elsewhere (Emery M, 2000). Here we simply present the outcomes from these two beliefs, that is the discrepancies between what constitutes established knowledge for organizations and what is believed and practiced in today’s managerial bubble.

### **Discovering Laissez-faire: The experiments**

The participants in the experiments were boys organized into clubs, each with leaders adopting different leadership styles. Although it began as a study of autocracy and democracy, it rapidly changed into a study of three forms of “social climate” (Lippitt, 1940), or what we today call “structure.” The third form, laissez-faire, was discovered by accident, as it arose from a misunderstanding of the nature of democracy. An inexperienced leader, Ralph White, became baffled by the anarchy created by two boys who were “real hell raisers.” He let all the boys “do their own thing,” which resulted in some very negative effects. His understanding then was that democracy could mean total individual freedom. His approach with this group allowed the distinction between democracy and laissez-faire to be made. Many people practice laissez-faire thinking that they are being democratic just because they are not controlling autocratically (White, 1990). *Unfortunately, this confusion of democracy and laissez-faire is still with us.*

The study revealed stark differences between the three leadership modes. Although the autocratic leaders behaved throughout as dictators, the democratic leaders functioned mainly as a friendly resource and help to the groups, whereas the laissez-faire leaders gave individual freedom. In autocracy, the centerpiece and focus of the work was the leader; in democracy, it was the group; and in laissez-faire, there was none.

The autocratic leader made all the rules, dictated the activities, and praised and criticized personally. The democratic leader discussed rules and encouraged group decision making about goals, with technical help from the leader if required. The democratic leader was fact oriented in praise and blame and was a group member in spirit. There were no rules made in *laissez-faire*; the leader supplied materials and gave information only if asked, did not participate in the group work, did not praise or blame, and did not attempt to regulate work (Lippitt & White, 1943).

The three structures produced very different behaviors in the boys. The autocracy group showed two major clusters of behavior: submissive and aggressive. In the submissive groups, individual boys became dependent on the leader with virtually no capacity to initiate group action. In the aggressive groups, the boys felt frustration directed at the leader (Lippitt & White, 1947) and rebellion (Lippitt & White, 1943). In other words, the authoritarian leader produced either dependency or a reaction called “fight/flight.”

When the leader left the room in the *laissez-faire* condition, one of the boys exerted leadership and “achieved a more coordinated group activity than when the relatively passive adult was present” (Lippitt & White, 1947, p. 323). This phenomenon is called *pairing* (Bion, 1952, 1961; M. Emery, 1999).

Aggression in autocracy and *laissez-faire* was directed toward other groups and individuals as well as toward the leader. The group experienced interpersonal tension and scapegoating. At a point in one of the sessions, a stranger entered and made remarks critical of the boys’ work. The autocratic groups expressed both submission and aggression toward the stranger. The democratic groups rejected the stranger’s criticism and resisted taking their frustrations out on other groups (Lippitt & White, 1947).

The boys made more demands for attention in autocracy than in the other two conditions. They were dependent on the leader for task-oriented matters and social status. This meant that competition developed between the boys themselves. In *laissez-faire* and democracy, the boys sought more attention and approval from each other. However, only the democratic groups showed evidence of stable cooperative structure.

Morale—in the sense of cohesion, using *we* not *I*, working together for group goals, and being friendly rather than hostile—was highest in the democratic groups and lowest in the autocratic groups. The submissive groups suffered the lowest morale. In both autocracy and *laissez-faire*, the boys experienced a great deal of frustration, of both the need for autonomy and the need for sociability. The researchers were surprised by the extent to which autocracy inhibited the normal, free and easy sociability of the boys. This was particularly so in the submissive groups (Lippitt & White, 1943).

Frustrations in *laissez-faire* were also high for the need for worthwhile cooperative achievement and that for clear structure and frustration from the “vicious cycle of frustration-aggression-frustration” (Lippitt & White, 1943, p. 503). The boys wanted to accomplish things, but lacking a structure for cooperation, they were all talk and no action. They became dissatisfied with the chaos, confusion, and uncertainty. Even the boys who tried hardest to use their freedom to get work done found it impossible, as they experienced constant interference from other boys.

The amount of productive work varied significantly between the autocratic, democratic, and *laissez-faire* conditions. When the leaders arrived late in the authoritarian groups, the boys made no initiative to start new work or to continue with work already under way. In the democratic condition, the groups were already productive. The groups in *laissez-faire* were

active but not productive (Lippitt & White, 1947). When the leader left the room in the groups showing a submissive reaction, the percentage of time spent in serious work dropped from 74% to 29%. In the groups showing an aggressive reaction, the drop was from 52% to 16%. The motivation to work was leader induced, not intrinsic to the boys. In contrast, the democratic group remained stable, with a negligible drop from 50% to 46%. A similar negligible drop was seen in laissez-faire (Lippitt & White, 1943), but as little work was done anyway, this remained unsatisfactory.

The democratic groups had by far the highest quality of work and made far more suggestions about how work could be done. They had internalized the group goals. Pride in work also differed significantly. The democratic groups presented their work or took it home, whereas in one authoritarian group, the boys actually tried to destroy what they had made.

The democratic leaders stimulated eight times as much independence as the authoritarian leaders and twice as much as the laissez-faire leaders (Lippitt & White, 1947). Democracy, not laissez-faire, resulted in the greatest individual differences. Although fewer expressions of individuality in autocracy should surprise no one, many will be surprised by the fact that there was less individuality in laissez-faire (Lippitt & White, 1947). Contrary to what many believe, freedom to do whatever one pleases actually results in a reduced opportunity to express individuality. Autonomy without a balancing degree of belongingness with peers restricts and inhibits personal growth (M. Emery, 1999).

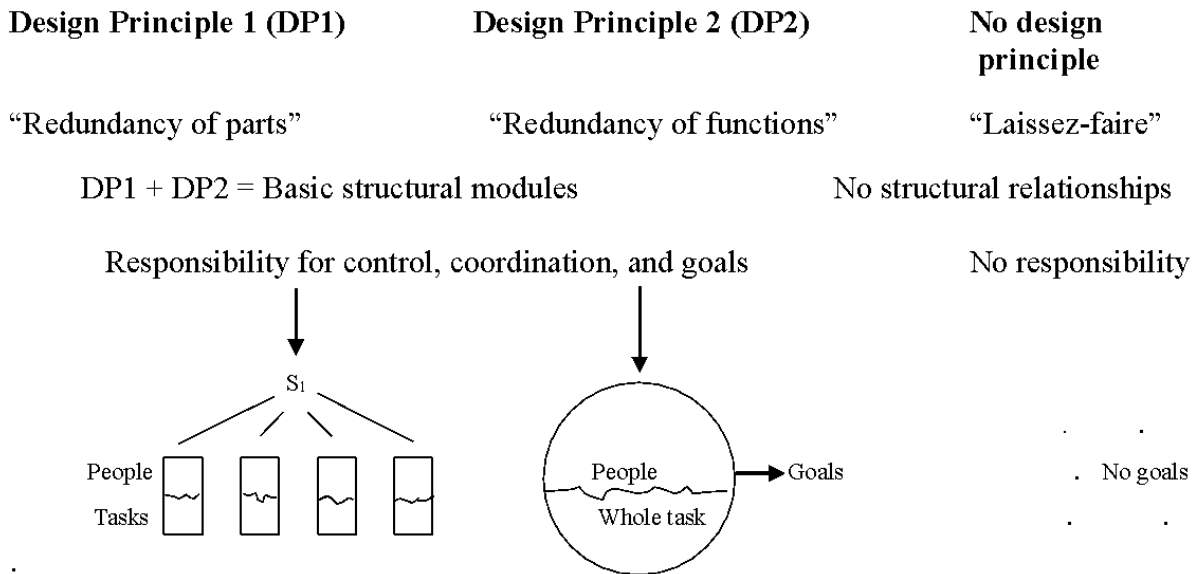
Overall, the three social climates had dramatically different effects, and climate proved to be the most powerful factor of any measured. The democratic form showed its superiority on every measure. This result has been found many times over in just about every form of human endeavor, although there has been an updating of the language since the design principles were discovered.

### **Conceptualization**

The discovery of the design principles during the Norwegian Industrial Democracy Program (Emery F, 1967) clarified the nature of the three options Lewin et al discovered. What Lewin et al referred to as *climate* is now known to be *genotypical structure* and laissez-faire now takes its place as the absence of a design principle because there are no structural relationships between the people (M. Emery, 1999).

As the figure below shows, the two design principles and laissez-faire form an exhaustive and mutually exclusive set as responsibility for coordination and control is located with the actors, not located with the actors or there is no responsibility for coordination and control. There are only three options.

## *Genotypical Design Principles and Psychological Requirements for Productive Work*



*Note:* S<sub>1</sub> = first-line supervisor.

**Figure 2: Genotypical Organizational Design Principles**

Setting these options out rigorously shows that the design principles and laissez-faire constitute a full set of genotypical possibilities as follows:

- DP1 = where responsibility for coordination and control is located at least one level above where the work is done, (i.e. *not with*)
- DP2 = where responsibility for coordination and control is located at the level where the work is done, (i.e. *with*)
- Laissez-faire (LF) = where responsibility for coordination and control is located nowhere, (i.e. *neither with nor not with*).

These two sets of definitional elements yield three (a full set of) structural possibilities:

- DP1 = a structure of dominance (*inequality of power relations*)
- DP2 = a structure of non dominance (*equality of power relations*)
- LF = no structure (*neither equality nor inequality of power relations*)

In *systems terms* this becomes:

- DP1 = *non jointly optimized* socio-technical (psychological) (ecological) organization
- DP2 = *jointly optimized* socio-technical (psychological) (ecological) organization
- LF = *no organization*, of any socio-technical (psychological) (ecological) variety

Therefore we see that:

- DP1 = redundancy of parts
- DP2 = redundancy of functions
- LF = no redundancy

exhausts the full set of possibilities. This means that every time at least two people, organizations, groups, communities or systems begin to transact, they have only three choices of structural arrangement between them as given above.

### **Today**

Unfortunately today, much of this history has been lost, and of course as the old saying goes, is being repeated. It is one of the most worrisome trends in today's world that the history of science, to put it in its most general form, is no longer considered a necessity for understanding modern theories or phenomena. The sausage casings enter the machine, are filled with mince and shot out again without so much as a glimpse of the relationship of the mince to its past or future, its temporal relationship to the great scheme of things. One of the major results of this is that many laissez-faire organizations exist where the structure is DP1 on paper but generally ignored (de Guerre, 2000). They tend to fail (Trist & Dwyer, 1993).

It was during the last wave of interest in self management that we began to notice this new phenomenon taking place in organizations around the world. It can be summed up as the 'cop to coach' model where the structure is left unchanged but the supervisor is supposed to act as a group 'leader', coach or trainer. In other words, they and the members of the 'team' are supposed to forget that the 'coach' still holds responsibility for coordination and control. It was fuelled in part at least by the previous rush into and belief in the efficacy of T 'training' or sensitivity groups. The two small papers addressing this issue of mistaking labels for substance are now included in this special part concerning laissez-faire as they show early recognition ('Getting to grips with the great 'small group' conspiracy', 1978) and represent attempts to redress ('The concept of trainer, leader, coach', 1992) what is now a very seriously widespread organizational problem.

Because laissez-faire is qualitatively different from both autocracy and democracy and its effects are so negative, it cannot be a half-way house between bureaucracy and democracy (see the re-analysis of Fiorelli's (1988) data herein). Yet that is exactly how many saw it and introduced team leaders or coaches for precisely this reason. This is despite the fact that many have observed and measured the deleterious effects of introducing team leaders and published their results. Increased confusion with drops in responsible behaviour or accountability together with reduced productivity are common observations. The mainstream academy and consultants have chosen to ignore this literature and team leaders are still being introduced to this very day, with exactly the same results.

Understanding this set, and laissez-faire's place in it, is essential in today's world where ideas about democracy are generally confused, without any real basis in history or theory. Many can recognize autocracy or bureaucracy when they see or experience it but few can adequately articulate or conceptualize democracy. For many again, democracy is the absence of autocracy.

As we see from the figure, an absence of autocracy (DP1) can be either DP2 or laissez-faire. This is the basis of a massive confusion not only in the literature about democracy in the workplace place but also in the minds of many citizens. Quite simply, they believe that any collection of unrelated humans floating around doing their own thing is a democracy. Simultaneously, many of them are aware that laissez-faire is actually chaotic with

deleterious effects for all. So when they hear of a proposal to change their organization from bureaucracy or autocracy to democracy, they oppose it.

Yet clearly there is no resemblance between DP2 and laissez-faire and research into the various effects of these three options reinforces the dramatic differences. Nor does the evidence support a conclusion that laissez-faire can be a halfway house on the road from autocracy to democracy. Obviously what is required in these situations is accurate and comprehensive understanding of the set above and the vastly different effects of the three components.

To confuse matters even more, we now have organizations that look like DP1 structures on paper, whose designers and promoters claim they are DP2 and which actually function as laissez-faire. These are all those organizations whose managers have been kidded (or not) that by changing the name of their supervisors to such things as team leaders or coaches, they could achieve the same results as genuinely transferring responsibility for coordination and control to the people performing an activity.

(And then to make matters even worse, we have both DP1 and DP2 structures that are called democracy, representative and participative respectively, because few bother to make the distinction even if they know of it.)

It is a continuing problem as there are still plenty of places including universities where out of date theories with insufficient evidence to justify their existence are being taught to new generations of managers (Emery M, 2010). This of course highlights a problem with today's universities and other places where 'research' and 'questioning' are spoken of as sacred cows but never practiced in any sense. It doesn't take much 'questioning' or 'researching' to discover the inadequacy of these theories. The university problem, however, is a subject for another day.

We have attempted by careful conceptualization and measurement to gather some facts and figures about these laissez-faire organizations masquerading as other types of entities. The papers in this section are not numerous but they do not need to be – *the guts of the problem is known, laid out for all to see*. We do not need a multiplicity of papers saying essentially the same thing; what we need is a better education system, one that is designed to actually educate rather than just churn out sausages.

The papers in this section are a reminder that we need to use our language and constructs carefully and precisely. Words such as democracy are now totally inadequate conveyors of meaning. Only operational definitions such as the design principles specifying location of responsibility for coordination and control can overcome these confusions so we can illuminate and clarify phenomena such as laissez-faire.

If we do not soon get back to the idea that there is actually a science about human behavior based on the substances of practical constructs and data rather than just a collection of words (Emery M, 2000), we could lose the validity of the very idea of a social science entirely.

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