

10 Compelling Reasons Servant Leadership May Be the Best, Says Science

Marcel Schwantes

In all my research to find the [most remarkable leadership style](#) that impacts both people and profit, I have concluded that nothing can match "[servant leadership](#)."

If you're new to this idea, the idea is not new to the business world. Robert Greenleaf popularized the term in 1970 when he wrote his famous essay, [The Servant as Leader](#), in which he stated,

"The servant-leader is servant first... It begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead. The difference manifests itself in the care taken by the servant-first to make sure that other people's highest priority needs are being served. The best test, and difficult to administer, is: Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And, what is the effect on the least privileged in society? Will they benefit or at least not be further deprived?"

That's a hard leadership act to follow. And one, I have found, that can transform organizations from the inside-out. And yet, to my dismay, people in management are quick to push-back for all the wrong reasons.

The Most Common (and Dead Wrong) Misconceptions About Servant Leadership

I have also found that many people -- decision makers and high-level HR folk -- have already formed their opinions on the words "servant leadership" and will not buy-in no matter the evidence supporting it. There is much misunderstanding and confusion about what a 'servant leader' actually is and does. That perhaps:

- Servant leaders are doormats. That they're push overs for employees to take advantage of them.
- Servant leaders are "nice" bosses that spend all day walking the halls with a fixed smile, taking orders from employees who will eventually expect it and feel entitled to it.
- Servant leaders are subservient -- slaves to their environment -- hence, submissive, passive, and unassertive.
- Servant leaders are weak leaders (or soft) because they want to serve. Therefore, they can't handle tough situations or work bullies, or deal with high pressure or conflict.
- Servant leadership is a religious concept, and therefore, it has no place in the corporate setting.

10 Convincing Reasons to Consider Servant

Leadership

While this article is not about what servant leadership is by definition (a Google search will land you in all the right places to begin your immersion), my goal here is to demonstrate to decision makers why they should invest in developing their leadership teams or shape their work culture with this approach, based on empirical evidence.

Reason No. 1: Organizational effectiveness is high.

Dr. Robert Liden, Professor of Management at the University of Illinois at Chicago (UIC), has conducted many studies on the topic that links servant leadership to building strong teams and collaboration. Here's Dr. Liden discussing servant leadership's impact on job performance.

Reason No. 2: Servant leadership pumps up the team with confidence, which leads to high-performance.

Published in the [Journal of Applied Psychology \(2011\)](#), Jia Hu & Dr. Liden studied 304 employees representing 71 teams in 5 banks.

They concluded that servant leaders facilitate team confidence, affirming the strengths and potential of the team and providing development support.

The interesting thing here? While servant leaders are great at setting clear goals that leads to high team performance, the teams that did not have a servant leader had lower performance the clearer their goals!

Reason No. 3: Servant leadership leads to more helping and creative employees.

Employees of servant leaders are more helping and creative than those working with leaders who scored lower on servant leadership.

Source: Neubert, Kacmar, Carlson, Chonko, & Roberts, *Journal of Applied Psychology*, 2008.

Reason No. 4: Cleveland Clinic study.

In 2008, the Cleveland Clinic significantly increased employee engagement and overall patient satisfaction by "hardwiring" servant leadership into the culture.

Results were measured by the Gallup Q¹² survey, and patient satisfaction by the federal HCAHPS survey.

Reason No. 5: Greater job satisfaction.

In a study at a five-hospital system with 17 departments, 253 nurses who perceived that their nurse managers had a higher servant leadership orientation demonstrated significantly greater job satisfaction.

Source: Jenkins & Stewart, "[The importance of a servant leader orientation](#)," *Health Care Management Review*, 2010

Reason No. 6: The Jason's Deli Study.

The research reveals when bosses act as servants to their employees, it's good for

business. Measurable increases in key business metrics like job performance (6 percent), customer service (8 percent) and employee retention (50 percent) were observed.

Research co-author Sandy Wayne, Ph.D., explains the benefits of Servant Leadership as much more than a nice thing to do for your employees; it's good for the bottom line. [video length: 0:44]

Reason No. 7: Because these successful organizations operate as servant leadership cultures.

Research has identified these high-performing and profitable organizations as being servant-led:

- Chick-fil-A
- Home Depot
- U.S. Marine Corps
- UPS
- Ritz Carlton
- Room & Board
- Whole Foods
- Starbucks
- Southwest Airlines
- Levy Restaurants
- San Antonio Spurs
- TSYS

Reason No. 8: The incredible turnaround of Popeye's Louisiana Kitchen.

Popeye's Louisiana Kitchen, a global restaurant chain, has an incredible story documented in their CEO's latest book, [Dare to Serve](#), where Cheryl Bachelder talks about how they went from being a company on the brink of disaster to one experiencing tremendous growth by every measure including profitability, expansion and customer satisfaction, all because the leaders decided to flip a switch, and become intentional servant-leaders.

Here's Bachelder at the 2013 Servant Leadership Institute Winter Conference Panel explaining, rather humorously, how financial performance stems from a servant leadership culture. [video length: 1:14]

Reason No. 9: Datron World Communication

In 2004, [Art Barter](#), head of Datron World Communications, purchased the company for \$10 million and turned it into a \$200 million company in just five years by inverting it from a traditional model of leadership to a servant leadership model.

[In this 2014 video clip](#) (you'll want to fast forward to 4:00 for the hard numbers), [Ben Lichtenwalner](#), editor of [Modern Servant Leader](#) interviews Barter about Datron's incredible transformation. You can also find Datron's story of success in the book, [The Art of Servant Leadership](#).

Reason No. 10: Servant leadership companies outperformed *Good to Great* companies!

Researchers compared the companies made famous by Jim Collin's seminal classic,

Good to Great, with companies that have been applying servant leadership principles.

The research was based on the metrics Collins used to evaluate the financial performance of his eleven publicly traded "good to great" companies. They are: Fannie Mae, Circuit City, Nucor, Kroger, Walgreens, Wells Fargo, Altria Group, Gillette, Pitney Bowes, Kimberly Clark, Abbott Laboratories.

Those companies were compared with eleven publicly-traded companies that are frequently cited in the literature as having servant leadership cultures:

- Toro Company
- Southwest Airlines
- Starbucks
- AFLAC
- Men's Wearhouse
- Synovus Financial
- Herman Miller
- ServiceMasters
- Marriott International
- FedEx
- Medtronic

The comparison focused on the ten-year period ending in 2005. Researchers found that during those years, stocks from the five hundred largest public companies (i.e., Standard & Poors 500) averaged a 10.8 percent pre-tax portfolio return.

The eleven companies studied by Collins averaged a 17.5 percent return. However, the servant-led companies' returns averaged 24.2 percent! This concluded that servant-led companies are even "better than great."

Source: You can find this study published in James Sipe and Don Frick's book, [*Seven Pillars of Servant Leadership: Practicing the Wisdom of Leading by Serving*](#) (Paulist Press, 2009)

My Closing Thoughts

Angela Ahrendts, senior vice president of retail and online stores at Apple, said it best with this quote:

"Everyone talks about building a relationship with your customer. I think you build one with your employees first."

I close with a question: How you have demonstrated servant leadership traits that has translated to your own success?