The Executive's Guide to Participative Planning & Participative Management

Philip Webb

Together, Let's Make a Plan

Preface

The command-control methods of running companies is about as outdated as the Ark; as we embrace collaborative technologies, email and social media, the people we employ have never in history been so connected.

Command control, stemming from Fayol's original organisational models at the turn of the 20th Century and re-enforced by two major wars that were structured on this style, has to give way to a more inclusive style in the 21st Century to ensure continued success in world markets.

Transparency and engagement are the new buzzwords and for those executives who understand that traditional management methods are dying on the vine, there is an exciting future ahead full of opportunity amidst uncertainty.

The ***Participative Planning*** approach has been around a while, with literature pointing to the mid-sixties onwards.

In fact it goes back a lot further than that.

Around 60AD, nearly 2000 years ago, a Roman landowner was recorded as saying:

"Nowadays, I make it a practice of calling them into consultation on any new work.. I observe they are more willing to set about a piece of work on which their opinions have been asked and their advice followed" *(Columella)*

Columella was in fact in the military until 35AD, and so his comment was born out of learning and observing human nature, outside of the rigid rules and command structure he will have been taught in earlier years.

Since Columella lived, very little has changed with basic human nature and with the organisations need to plan ahead in order to survive. It may be said that every business failure that ever happened, is simply a failure of the business leader to effectively plan.

If they had planned properly, then they would have either anticipated the issue, or take faster steps to correct the unforeseen problems.

The very basic question, which although cannot be completely resolved, nevertheless has to be asked:

Why should organisations support, and managers use, participative management approaches?

The simple answer is that both research and practice supports the notion that using Participative Planning and management produces superior results in terms of performance, productivity and profit.

The bigger and more important question is:

Why haven't all companies adopted this approach to driving businesses, and adopted Participative Planning and Participative Management approaches already?

There appear to be three basic reasons:

Firstly, there is a greater understanding of the one to one relationship, that between boss and worker, where one instructs and the other does, without questioning.

Secondly, this is re-enforced by cultural values, and also a sense that this provides for greater personal control, and in a period of market or product change this sense of control is important. It is however a little bit like hanging onto the log in the water, as you approach the waterfall and ignoring the outstretched hands of rescue and help.

Thirdly, there is a simple explanation that managers and leaders are often unclear as to what participative planning and management actually is, and with only a small amount of knowledge will reject this approach as being a dilution of their leadership.

In fact participation, or rather the misunderstanding of how participation works, has led a large percentage of directors to think that Participation is simply a word that describes the clever manipulation of the workforce to get them to accept and support decisions that management had already made.

So, this publication is given over to the following four questions:

1 What is participative management?
2 How is it applied and what are the results?
3 How does it work?
4 How do you get it?

Contents

What Is Participation?

A brief look back in time will show just what exactly participation is, when businesses seek to plan and manage.

A man called Professor Marshall Sashkin authored several notable books and lectured extensively on the subjects of participation. His life's work has centred around participative management from the early 1960s to a lecture he delivered in October 2014. His research has focussed on the how and why, but has only gained traction amongst a smaller group of enlightened executives in traditional industries.

However, it has created a huge groundswell of interest from new industry, the digital and knowledge economy, who quite simply owe their existence to the individual people who work there.

This is an extract from a very recent email (October 2014) from Professor Marshall Sashkin himself, which starts to explain how it works.

I learned about participation from my mentor when I was a graduate student, long ago, at the University of Michigan. Norman R. F. Maier was originally a "rat psychologist" and did excellent work on rat learning with neurological brain measures, using implanted electrodes--and this was in the 1940s!

However, when Skinner and his cohorts came along they began to dominate experimental psychology, and Norm couldn't get his work published anymore; all editors cared about was stimulus-response learning studies.

So he switched to industrial psych. He discovered what you and many others have: things work much better when workers are involved in work decisions that concern them.

Originally, much of his work (at Detroit Edison) was with small work groups and teams with a foreman or supervisor. He developed ways of teaching these supervisors (1) how to decide when to involve workers in decisions and (2) how to actually facilitate problem solving group discussions.

As for the first issue, he identified four types of problem based on two issues: concern for quality of the solution and concern for acceptance of the solution. He simply labelled the options high and low, creating a four-cell matrix.

When concern for quality is high but concern for acceptance is low--for example, employees really don't care that much about where the company buys its coal, but the company certainly does!--management makes the decision.

When concern for quality is low and concern for employee acceptance of the decision is high, the obvious choice is to let the employees make the decision (such as who gets a new truck). This goes against management assumptions, of course, but Norm showed that in practice *when he was allowed to work with a team and supervisor on such a decision issue the group came up with as good a decision as management would have and, most important, they felt the decision was fair. No decision management made would be likely to be seen as fair by everyone, and this is why such decisions are typically ineffective--employees do not really accept them.*

When concern for quality and concern for acceptance are both low the simple approach is to flip a coin for a decision--it makes no difference.

But when both quality and acceptance are high, an employee group decision takes skilled facilitation by a supervisor/manager. Norm taught them how to do this by using role plays, adapted from the work of Jacob Moreno.

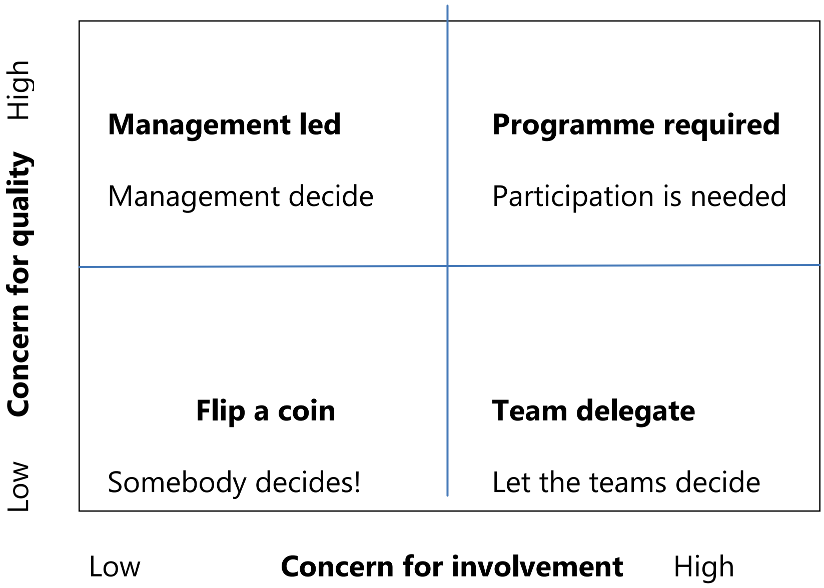
The results of Norm's work were so clear that the director of Michigan's Institute for Social Research, Rensis Likert, adopted the approach and became the strongest advocate for participation in the 60s and 70s, with his book New Patterns of Management. All of this predates the notion of pushing decisions down to the lowest possible level.

Norm's work on how to decide what approach to use for decision making--what degree of worker participation to use--was taken up and make more complex by one of Norm's doctoral students, Victor Vroom. Like Likert, however, Vroom never really credited Norm for his crucial ideas. As Norm's last student I determined to put forth his ideas, with full credit to him, to the maximum extent possible.

The trusted four box model then would look like this....

The Participation Grid

The Decision Responsibility Chart:



Despite the massive evidence for the effectiveness of employee participation, it remains limited in application. This is partly because managers and executives think employees are not capable of good decisions and it's true that employees need some skill training for this. But the biggest reason is management's fear of losing control, and that's hard to deal with!

Participation is one of the tools in the toolbox then, to be applied when conditions call for the involvement of staff as a factor for the success of the work.

What Exactly Is Participation?

In general, participation is often regarded as some form of dilution of power by the authority concerned: seen as transference of responsibility and an abdication of control.

The reality could not be more different.

Some of the factors under consideration when one observes a "controlled" workforce are: isolation, powerlessness, meaningless work, lower security and a general sense of lower self-esteem with relation to the work produced in the context of the organisation.

Many studies have taken each of these facets and examined their meaning in terms of psychology and team-working aspects.

One thing is clear, these are not positive or performance contributing behaviours in a modern workforce, indeed they are something to be avoided and managed out, if the performance of the hired workforce is to be optimised.

In today's workplace, we hear often of the word "engagement." This is a word often fostered by HR departments and managers who are primarily concerned with getting the most work out of a team or teams.

Engagement takes many forms, but participation is rarely one of them.

Engagement versus participation

It usually starts with a survey.

Created by HR professionals or external support agencies, who dream up a series of questions designed to gain insights and answers to whether the respondent is feeling part of the company, associates with the vision, gets on alright with their managers and fellow team workers and isn't thinking of leaving any time soon.

The questions are posed and a response is requested. Some have the foresight to make them anonymous and therefore try to remove the possibility of repercussions later, but generally if the organisation is minded, there are broad ways to assess the origins of the response, and some more focussed that provide managers with a name!.

For the respondents, the teams of people who are being asked, the following factors apply:

- Firstly, their response may be voluntary or coerced by their line management as a means to get a high response rate (high responses are considered a measure of engagement, as low responses are deemed to show apathy which is to be avoided)

- Then there are the formats of the questions themselves. So many times, the responses are corralled into tick-boxes; 1-10 scores or even worse the three or five word from excellent to poor are offered. There is never room for atrocious, or non-existent, or any other adjectives that the respondent may feel like replying with, but cannot due to the survey design. Just occasionally a free text box is provided to expand the response, but then there is heightened danger in the possibility that to be specific in isolation of others may expose the individual to discovery or identification.

- Then, to bring the whole exercise to the fore, the responses gained are totally dependent on the feeling <u>on the day of the response</u>. If something was wrong that morning, personal as well as work related, then the scores offered in response will be skewed negatively.

- To bring this whole sorry attempt at measurement of engagement to a conclusion, the results are then statistically analysed, correlated to graphs, averaged out and presented in the best possible light to senior management as a sound endorsement of the sparkling ability of managers in the business, who after all are responsible for the management of the people in the teams.

What happens next?

Usually a newsletter, email or team talks follow the survey. A focus on communication, reaching out for any "quick wins" that can be highlighted as responses to the survey results. HR or performance teams then become fixated with the "improvement plan", may hire consultants or specialists to help design games, acronyms, new imagery or refreshed branding to try to improve matters.

One of the most sparkling attempts I have witnessed in recent years, was a new approach called Formula For Success. This involved 11 pictures representing good things and 11 pictures showing bad things. It was communicated extensively at great expense throughout the organisation, and everyone got to know and remember what each image represented. It was an attempt to create an inclusive and progressive culture against which engagement could be measured.

Unfortunately with each icon came no real action or improvement, nothing changed, and it became a white elephant of engagement in the business, earning it the true meaning of its acronym amongst the teams, FFS.

So is engagement not a reasonable place to start?

I suggest that the parallel exists with the classroom at school. When a lesson was attended, and the subject was taught, did the chalk and talk method excite you? Or did the activities you performed excite you more- maybe the science experiments as opposed to learning the periodic table rote fashion?

Did sitting on a chair every day lead you to learn effectively, or was it the inclusion, the debates and discussions, the plays, the moving around in smaller groups excite you more to retain knowledge?

The basic question then needs answering, did you learn more by listening to someone tell you the method, the answer, the facts, or did you learn more by researching it yourself, discovering how to find data, and forming ideas and conclusions yourself?

In industry we see this in graphic terms when we hire new people fresh from academia. They may be fully understanding of the theories, the text and the history of their chosen vocation. But in the real world workplace how much of what they learned is valuable to the business?

Often heard is the lamentations of business leaders who cite schools as not teaching much of value to industry.

But rather than embracing the fresh minds of these people who are starting their careers with our businesses, we sheep-dip them into an induction module that explains just how things are done around here. The rules, the managers, instil a little fear, suppress the questioning approach they may have, ignore their ideas – for what can they possible know about much?

And so the "command-control" cycle perpetuates and the world continues to turn.

Weary Workforces

- 61% of workers either feel neutral or unhappy about going to work most days
- Although 79% claim some level of satisfaction with their current job, only 1 in 4 (26%) are very satisfied
- The key sources of workplace unhappiness are low pay (36%), little or no variety to the job role they perform (25%) and unpaid overtime (22%)

(*Source: Kronos Research, 2014*)

So it seems that current attempts by businesses are still failing to capture the true potential of their workforces, and it is now time for many to reassess the methods and approaches used to gain more performance, greater efficiency and higher profits from their investment in their people.

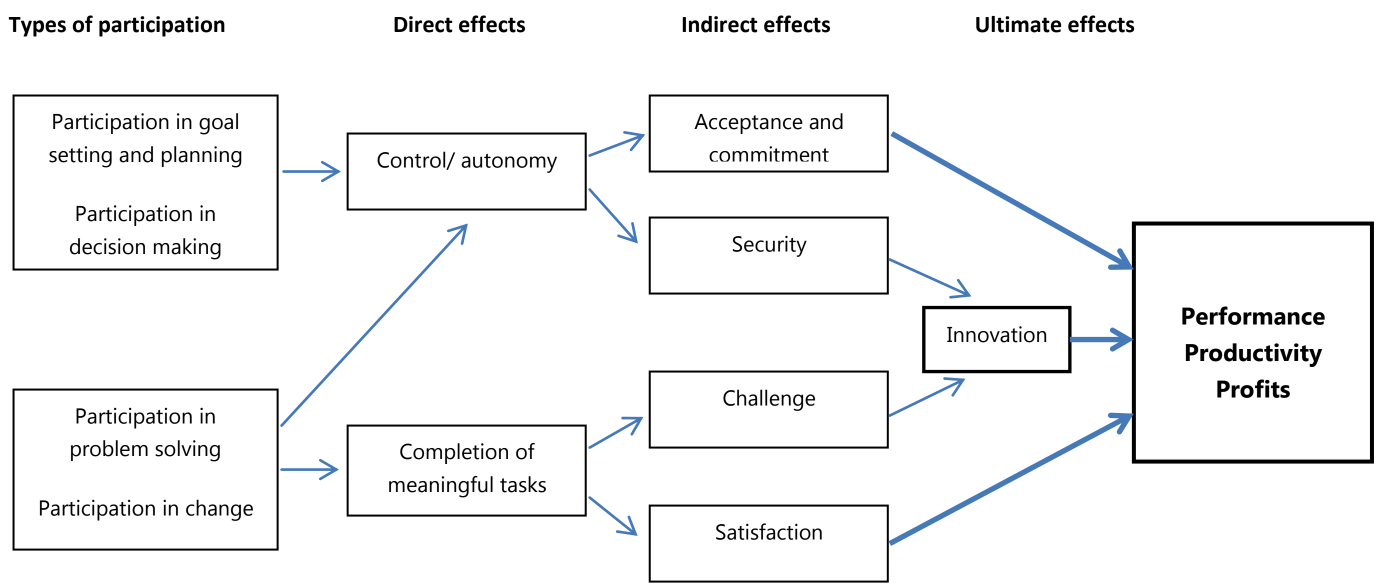
What is participation then?

Simply put, it is the inclusion of teams and individuals to the process of running the business. From the very start at the planning cycle: gaining ideas, approaches, criticisms, objections, insights and questions.

This provides greater autonomy, identification of meaningful or context based tasks, allows and stimulates a higher level of innovation, and vitally gives rise to acceptance and commitment from those involved.

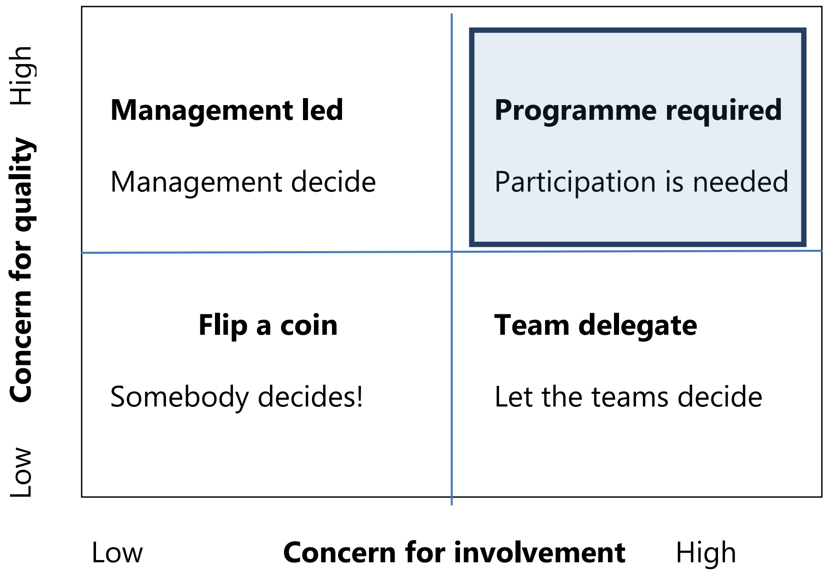
The result – higher performance and greater productivity, which in turns creates more positive cash flow and profits.

Effects of participative management methods



What Is Participative Management?

The application of an approach designed to work in the area of the participation grid where a high concern for people involvement is needed simultaneously with a high concern for quality.



In this area, it is necessary to establish a company controlled framework for allowing and promoting a system of participative involvement to the satisfaction of all parties in order to gain maximum performance.

This box differs from the one below, which is to allow the decision to be pushed downwards in the organisation to be delegated to the lowest effective level possible, and this is to simply promote autonomy and security in the workforce as they make the simple decisions for themselves and therefore ***pre-accept and support*** the outcome.

In the highlighted box however, there are two more complex forms of participation:

1 That which concerns with the job of problem solving
2 That which concerns with the formal planning and then carrying out <u>change</u> work.

Participation in these aspects have the primary effect of providing meaningful "whole tasks", simultaneously resulting in greater degrees of control and autonomy as in the simple participation of the team delegate box as described above.

Therefore the effects of the simple participation are re-enforced when the more complex programme is used, and will provide greater feeling of satisfaction and completion, leading to a higher impact on greater performance and productivity.

The simple chain of events shown in the schematic on page 11 however needs further comment. It would be foolish to assume that such cause and effect relationships are automatic or guaranteed.

For one thing, the various effects shown can only occur if strong effective management, as well as participation is provided, which was the greatest failing of early year experiments such as Hawthorne.

Another qualification needs to be expanded insofar that organisations are generally more complex that that shown by this simple schematic and therefore the factors that might support or hinder specific types of participation programmes need to be examined.

Contingency Factors

The word contingency means "it depends". There are three main sets of contingencies that will determine the success of a participation programme.

Firstly there is the Psychological contingency

This includes the values attitudes and expectations of members of your organisation. This can be seen when workers simply do not recognise as legitimate, the company's attempt to involve them in participatory work. This may be due to the relationship with Unions for example whom they regard as the only trusted way to gain participation. When unions are involved with organisations, I make it my business to include them from the start and to fully explain how and why participation programmes will be used.

In one such organisation, I involved the union representatives as observers to the process, and in return they supported the work by giving it the stamp of approval. This approval was given as once properly explained, the participation aims are synonymous with their own inclusion of members and if communicated properly can coexist and support the participation work that you will instruct.

There are some workers, a minority, that for various reasons of values, age, beliefs etc, will not want to participate in any way. Whilst participation is an ideal it is not a silver bullet that will resolve this minority to change, and such efforts are unlikely to succeed.

What is needed however is a programme that prevents this small minority from infecting those around them to disenfranchise them of the possibility of their own participation.

Secondly there are organisational factors

These factors include organisational complexity in terms of the extent to which workers in groups are interdependent on one another as opposed to autonomous. It also includes reference to the complexity of the technology used and the social climate for overall management.

If workers are highly interdependent on one another for task completion, it will be foolish to use participative problem solving on an individual basis, rather better to use a team approach.

If the level of technology is high in an organisation, it is likely that the benefits of participatory problem solving and change planning techniques will yield substantial results over that of simple participatory goal setting and decision making.

Finally if the organisational climate is such that low trust is evident in supervisory or management, who may be seen as autocratic or authoritarian, then a programme must find a way to provide for this in order to gain the trust and participation of service and front line workers.

Thirdly, there are environmental factors

Or to be more correct, changes in the environment in which your business operates. Examples of this include the rate of change of technology used by the business, changing government and legislation, shifting customer buying factors, rapidly changing markets due to competition or overseas entrants. Then of course there is the product itself in the context of the above.

In the next 10 years, Generation Z people will enter the workplace. For the first time we will see a workforce in this age category that have never known life without the internet from toddler times, and will fail to understand the need for hard drive storage of data, with a strong preference for cloud based data and software services along with the total workspace flexibility it provides.

3D printing will become normal as a distribution model and entire industries will undergo forced change to compete against those who adopt this technology and route to customer model

Participation techniques will become business critical at this stage, as there will be an imperative to adopt new approaches and technologies at a pace only truly understood by the younger generations. This will underline or erode your competitive position in your chosen markets.

At this point task interdependency which is already prevalent in many of our businesses, will determine the need for maximised participation. The world is changing, there is nothing you can do to stop it, and the only question remains:

When will you adopt the flexibility and innovation promoting style of participation and reduce the harmful effects of a constricting command control management style that you have today?

Participation in Business Change

So far this guide has highlighted the various opportunities for participation, where this is a warranted approach. In designing your own company participation programmes, you may choose to select specific areas to start with that ease the workforce and the management teams into a more comfortable understanding before extending this to other areas.

For example, using the 4 box model in earlier sections, it would be a good place to start by identifying the high concern for involvement and low concern for quality box, and then allowing a decision to be made at the team level.

This will instil a sense of new, a higher level of trust will form once repeated a number of times, and participation in these less critical areas will allow the company to build confidence in a model of participation.

The high box four is the area that requires greater comment at this stage, and to examine a model that can be considered as participatory.

To illustrate this, we will now turn to the most complex area of participation, but one that also delivers the highest rewards in terms of higher productivity, performance and profit: that of participation in change and development.

The culture of participation during business change, requires the recognition of two of the basic principles of performance psychology: namely FAIRNESS and FEAR

The basic instinct of any person facing change is to automatically resist the change due to fear of the unknown. Machiavelli summed it up well:

"It must be considered that there is nothing more difficult to carry out, nor more doubtful of success, nor more dangerous to handle, than to initiate a new order of things. For the reformer has enemies in all those who profit by the old order, and only lukewarm defenders in all those who would profit by the new order, this luke-warmness arising partly from fear of their adversaries, who have the laws in their favour; and partly from the incredulity of mankind, who do not truly believe in anything new until they have had actual experience of it. Thus it arises that on every opportunity for attacking the reformer, his opponents do so with the zeal of partisans, the others only defend him half-heartedly, so that between them he runs great danger."

Machiavelli was, of course, talking about the change leader, operating a need to make change model. In business this is an increasingly common need that appears with increasing regularity as the markets, legislation, technology and demographic shifts relentlessly on decreasing circles of time.

The command control model of change goes something like this:

Stage 1

- Pre change - setting the strategy and direction for change
- Development of driving measures - often using external consultants or advisors

Stage 2

- Data gathering - usually performed by external consultants or in some cases the executive team or appointed change team
- using models such as staff interviews, financial analysis, Management reports, PEST analyis of the markets in which the company operates

Stage 3

- Diagnosis - the forming of the plan that is thought to achieve the actions needed
- Action Planning - sometimes using consultants or interim managers to help
- Creation of the plan to change
- Announce to all staff who are diretly involved.

Stage 4

- Action Planning - sometimes using consultants, staff are briefed
- Action implimenation using tactics such as LEAN, Six Sigma teams either internal or external

Stage 5

- Measurement of results, feedback and communication channels opened, financial analysis presented to show improvements

Organisational staff responses may be seen as this:

Stage 1

Staff may see that something is afoot, as new suits are spotted around the buildings. Rumours start which distract performance as second guessing of a worst case outcome

Stage 2

Staff see something is definitely happening as data is collected, which can only mean job losses and restructuring which didn't go well for them last time. Performance falls and political manoeuvring starts to occur amongst managers. Fear and uncertainty sets in.

Stage 3

By this time, coffee machine discussions explore wide ranging possibilities as scenario planning becomes daily conversation, CVs are produced just in case, key workers start to form contingency for themselves and apply for "just in case jobs" senior management are oblivious to this potentially damaging state.

Stage 4

The plan is unveiled to confirm to staff the changes about to happen to them. Initially a sense of relief if jobs are safe, then to be critically assessed to answer the question "what's in it for me?" If plans run contrary to staff perception of fairness or logic from their perspective, then resistance occurs, even sabotage by delays, protracted discussions and objections.

Operational and financial advantages may be lost if the plan is subject to lengthy negotiations with staff, all the time a lower productivity is experienced

Stage 5

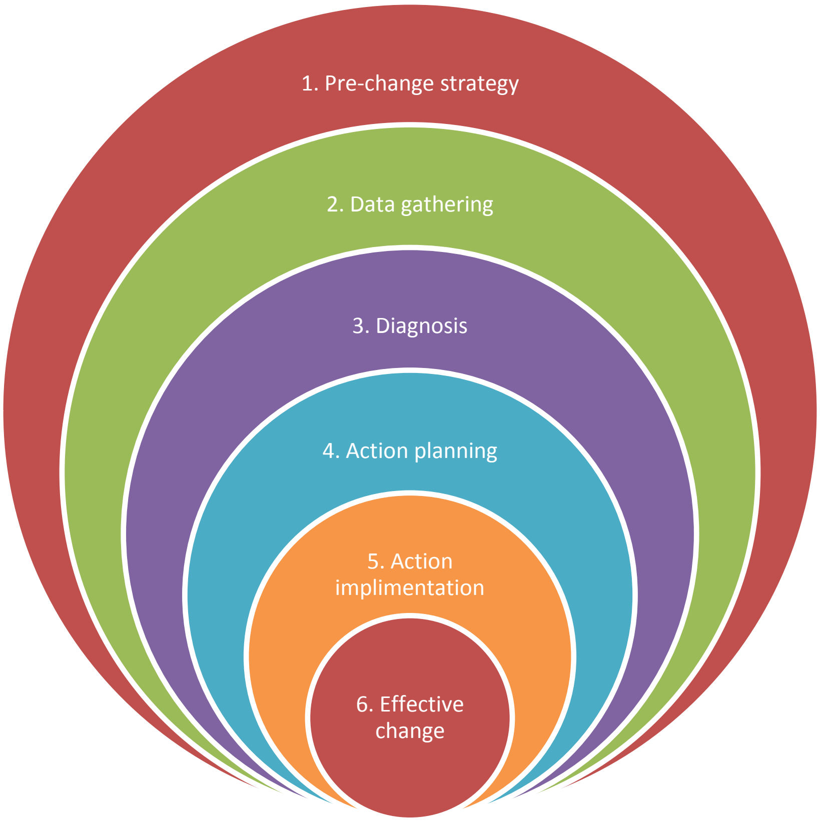
The final bill is received, along with any improvement or efficiency gains. Omitted from the calculations will be the lost productivity and hidden costs, during this 5 stage planning process, which may not be felt for another financial quarter.

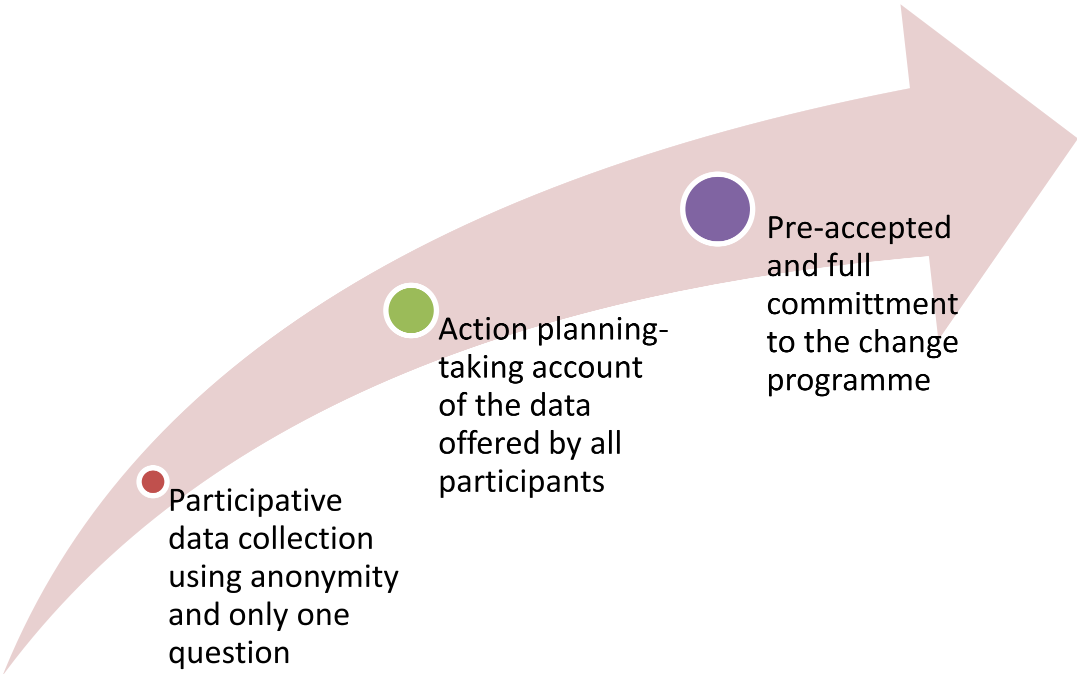
Some or all of the above will be familiar to those who initiate change planning in the command control style. There are companies who try to inject a higher level of communication into the process, wrapped up as employee engagement, but so often this is a one way talk with no room for proper participation.

Consider now the Participative Planning approach

The most sophisticated application of participative management involves workers identifying the need for specific organisational changes, then planning and carrying out those changes.

As seen above, most Organisational Development (OD) work see groups of workers as "targets for change" and do not fully use them as "agents for change"





Using the participatory model, the stages used are very different and provide the executives with excellent response results, shown in the following 6 stage description below:

Organisational staff responses may be seen as this:

Stage 1

Using a participative approach, the Staff will be informed at this stage as to the strategy that has been decided, including honest disclosure of any and all issues, including workforce redundancies, profit warnings, survival matters, as well as relocation, expansion, new products etc.

Communicated via a simple written statement and made available to all stakeholders.

Stage 2

Using a participative approach, there are no closed survey questions, and no confrontational focus groups which expose individuals to uncomfortable questions. Only one question is asked in Participative Management and that is "what do you think"? This is perhaps the most unbounded and unrestricted question, designed to elicit an open and innovative response using simple and (critically) anonymous written down forms, one comment per form. Using this approach, you will undertake the deepest and most honest audit of the entire business that you will ever do. The anonymity underlines the values of fairness which is also an essential element in establishing participation and acceptance

Stage 3

Using a defined and rules based programme such as Team Action Management (formerly called Participative Planning – authored by Albert Humphrey, who also created the SWOT analysis), then the change planning team are not distracted with politics or egos, rather enact the step by step programme to allow a diagnosis to be undertaken in the fairest possible way. The outcome is acceptance of all comments (into the process – not agreeing or disagreeing) without exception, leading to inclusion of all views which are simply taken account of (not specifically actioned) at this stage. This diagnosis stage is possible using the input from your own teams who often understand perfectly well what is needed, as opposed to external consultants who must learn this, by asking your staff!!

Stage 4

Again, using the step by step defined programme, viable action plans are discussed and formulated in a controlled method with equal status afforded to the change planning team members (usually numbering 5-9)

Once the projects have been decided upon, they are populated for rich content and the participative planning session closes with the agreement to seek director-level sign off to start the work, and essentially to publish this project list to all participating staff in the business. This closes the loop of trust and delivers detailed plans, which have taken account of their initial input in an honest and open way. It also initiates a psychological reaction of what is described as pre-acceptance at the point of impact. Suspicions and blockages are avoided, as the plans have the basis for their makeup in the very participation that your staff completed in stage 2.

Resistance is replaced by enthusiasm and support for the work in hand.

Stage 5

The doing of the work is also framed in a participatory style. Using the projects that have been developed, inclusion of sub teams using existing internal staff and resources turns your workforce from what could have been a team of change saboteurs to one of positive change agents with energy and support for your nominated change planning team. This again provides acceptance at the point of impact.

Stage 6

As participation change planning provides an output of projects of work it is more easily possible to financially prove a cost benefit to all and every action. The sum total of the projects can be planned into a forecasting P&L, Balance Sheet and even cash flow reports.

Far from being diluting in its approach and method, Participative Planning and Management is in fact a highly robust and structured event that accelerates business development and change, embeds it more efficiently in the business at a lower cost than the original method described earlier

Research has shown that only 26% of your people are truly engaged in your business. By using participation management, the 26% of engaged people become closer to 70% of engaged people, and around 35% additional effort is observed in this team.

That's the equivalent of one additional person per three people employed, for no more money – equate that to your business. Do the maths.

Important Considerations

As mentioned earlier, the act of participation relies upon the transition in management style, led from the board room.

By using the architecture of participation, there are a number of factors that will emerge as positive drivers for your improved performance, and once installed will drive effort, good attitude and profits above the levels normally expected.

- The installation of trust is a platform for continued staff performance and integrity of the executives
- Fairness as a driver for performance – second most powerful driver for human emotive response.
- The need to provide a key focus around which people can rally – surety from the start
- Avoids the destruction brought about by the contingency factors.
- Anonymity as a means for fair inclusion – avoiding fear, stimulating innovation and good ideas
- Participation creates "whole" tasks that means teams can finally see the cause and effect of their actions on others and on the company.

Only when a group participates in gathering data, interpreting that data, developing changes and implementing those changes, is the group congruently involved in change as a participative management approach

The Results of Using Participative Management and Participative Planning

For the CEO

The traditional command control approach to driving businesses may be something the CEO has been educated in and has practised with good results over the years. Since the 2008 recession, the world and its economies and markets have shifted considerably. The way of driving business before this date has to start to give way to a participatory approach in order to utilise the maximum positive input of all staff employed. The pace of technological and demographic changes is increasing exponentially and the systems and process that managed our businesses before can no longer keep up with the need to be more flexible in markets, innovative in products and creative in our solutions in order to compete on the world stage.

CEOs are being run ragged trying to simply maintain profits and performance at all levels. Participative Management will alleviate much of this, replacing it with a more willing and positive workforce, a structured operational plan of projects, which delivers against stated strategy and higher profit and performance will result.

For the Senior Team

Often caught in the middle of managing the operations, whilst only tipping the nod to strategy, they are often seen as the custodians of risk containment and highly focussed and objectivised by the need for a steady ship. As this embeds as a "bring me no surprises" culture, innovation and measured risk taking reduces significantly. Business development as a function within a managers remit, no longer exists giving way to problem solving and report management. Participation is then seen as confrontational to those objectives. Used correctly, the ceiling can be removed, active teams and authority from the boardroom can elevate the manager into a true business development role, expanding, innovating, driving the new that will become the daily business and promote excellent work practice through constant change management.

This model is often used as a means to select managers for director promotion or succession planning as it drives leadership aspects into the managers' realm.

For the front line and team workers

Finally a trusted method of getting those obvious ideas and issues addressed for the benefit of the customers, the teams and the company in that order. Once empowered to contribute and participate, team workers gain an increasing identity with the business strategy and success, gaining confidence to act on behalf of the company at an increasing level. Participation brings recognition, opportunity to advance, take on new skills, develop ideas without the usual fear and restriction brought about by command control styles. Staff engagement activity becomes irrelevant and an unnecessary function, as it gives way to work based participation with the result of greater efficiency and profits.

For the Shareholders

An obvious statement that any increase in performance would satisfy a shareholder is true, but carries the caveat that the wellbeing of staff and sustainable performance are also critical factors. Look at the green investors who will only back companies who clearly demonstrate green actions. The ethical investor is no longer fringe, as we all demand a level of integrity that means no children or harmed animals are used in the production of our products, taxes are paid at the geography of production and people's wellbeing and treatment are seen as valid even market differentiating factors for investment.

For the financial stakeholders in the business

Financial stakeholders take many forms from the obvious debt lenders of banks and other funders, to the directors themselves who involve themselves in the finances of a company by way of loans, deferred remuneration, shareholding, pension etc. Participation provides EVERY opportunity for maximising the potential and possibilities of the company alongside the transparency and auditability of individual change projects that can be reported on rapidly and accurately.

For a new or existing lender, assessing the lending risks, a company who operates participatively will by definition reduce operational risk, promote innovation and ideas, remove some of the internal power games people often play and increase the possibility of performance and profit rises.

Acknowledgments

With special thanks to Marshall Sashkin, whose early work on the subject of Participation has led to the development of many approaches and models

Special mention of Albert Humphrey (1923-2005) *deceased* whose model of SWOT analysis and Participative planning (later named Team Action Management) is used in this publication

TAM UK, who now owns the intellectual property of SWOT, Stakeholder theory, and Team Action Management and this publication is produced under license from TAM UK.

Resources

For information about the Team Action Management participatory planning and management system see www.tamplc.com

To secure a copy of the book Leading Constant Change (FT Publishing ISBN 978-1-292-01747-1) see www.managingconstantchange.com

For real world support to establish Participative Planning and Participative Management in your business, see www.theswotteam.co.uk

For a **FREE publication** co-authored with Edward de Bono entitled Winning with Teams, see http://www.tamplc.com/publications/Creating_Action_Management.pdf

To contact the author of this guide, Philip Webb, email philip.webb@tamplc.com

Together,
Let's Make a Plan