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BALANCING MANAGEMENT AUTHORITY WITH EMPLOYEE INFLUENCE

An important issue within any organization is the balance between management authority and employee influence+. We have found that many organizations tend to lean too heavily towards either one side of the pendulum or the other. Either management exerts too much authority and employees feel that they have little control or they exert too little influence and employees become confused and seek direction and structure.

In organizations where employees have little influence, management makes decisions and plans that do not include their input and perspective. Yet these are most likely the very people who are closest to the customer. These decisions, although appearing to be sound in their business rationale, actually are in error as they are not grounded in the day-to-day realities of the business' operations. In addition, they lack the buy-in and support from line employees that is key to the decision/plan being implemented effectively.

On the other hand, too much employee influence without the proper balance of leadership direction and governance does not support an effective and efficient movement towards organizational goals. Everyone has a say both on the decision and all along the way towards implementation. In this scenario, implementation is slow and usually at the mercy of the employee(s) who are most resistant to the idea. Meanwhile, the competition keeps moving forward and out performs the firm still fumbling for a clear direction.

Both extremes, too autocratic and too consensual, have their hazards. The challenge is to create a thoughtful balance between the two extremes versus the typical default that occurs in most organizations where either one extreme or the other is dominant. Operating too long in either mode leads to cynicism, distrust and resentment. In our experience, the most common extreme is where management has too much authority. With "Top-Down" management, employees learn how to say the right (i.e. pleasing) things to management in order to be rewarded accordingly. Most people are pretty good at this ... after all our family systems are based on this as well as our school systems, our relationship with government agencies, etc. However, management needs to listen to employees if they want to create a successful organization. They need to hear what is going on where the rubber meets the road ... what the organizational capabilities are, whether the plans they are drawing up can in fact be realized, what the barriers are to organizational performance ... all-in-all, what employees need to be successful. This is based upon our belief and experience that employees want to perform, contribute and make a difference.



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The payoff occurs in the balance where the rich ideas of employees are encouraged and appreciated and weaved into the direction and plans for the business. The momentum caused by harnessing the creativity and commitment of employees to the vision, direction and plans of the organization is nearly unstoppable and will leave the competition in the dust. So how do we create this balance and move an organization where authority and control are the norm to more of a team-based, mutually respectful culture? Our answer is to start by creating processes that change the management-employee paradigm from one of “Top-Down” to one of collaboration and partnership. In transitioning to this new norm, we must begin with team building interventions that allow employees to feel safe as they move to their new relationship with management. These interventions function as a check valve that enables employees (and management) to release the pressure and deal with and resolve issues as partners. Since management has the organizational authority, power and resources, the shift must be initiated by them. The vehicles we use include 360 degree feedback processes and follow-up coaching, upward feedback processes, skip level meetings, and focus groups ... all of which include a facilitator from outside the organizational system. The key is to create eye-to-eye open and honest conversation where employees learn that they can express themselves honestly. This leads to an environment where employees can talk freely about topics important to organizational success ... barriers to productivity, “out-of-the-box” ideas for improving the organization’s processes or products ... ideas that lead to positive change and growth. There must be mutual respect in order for management to be trusted. This will result in a spirit de corps and commitment to organizational goals. Commitment results in action and productivity. Topics such as what it takes to run the business and drive results, tough business decisions and cases for action can then be explored once trust is built. Through this effective partnership, positive business results can be experienced leading to a profitable organization, job security, promotional opportunities, increased raises, etc. The balance is critical – employees understanding business management and, management staying in touch with barriers to performance and employees’ ideas for new ways of operating.

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