The Key to SEAM's Effectiveness

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The Socio-Economic Approach to Management (SEAM) has a high level of effectiveness. Usually organizations that invest in a SEAM intervention find that their financial investment is returned within a year, and often with three months. In this paper we propose that there are two aspects of SEAM that lead to this effectiveness: the SEAM approach to process, and the deep beliefs that shape how SEAM is implemented.

The SEAM change process

The SEAM change process is described as a trihedron. One axis is the cyclical improvement process, one is permanent management tools, and one is periodic political and strategic decisions (Savall, Zardet, & Bonnet, 2008). The many individual aspects of the SEAM change process are not unique to SEAM. What is effective is the combination, the systemic approach based on research in over 1300 organizations.

The cyclical improvement process of SEAM is both simple and complex. It is simple in that an intervener-researcher enters an organization, teaches management tools, gathers information and feeds it back to the client in a style of action research, coaches, and facilitates. None of this is unique. Many consultants intervene in systems by collecting data, feeding it back to clients, and working with them to improve the organization. Many consultants teach about how to manage, coach and facilitate. One might argue that in SEAM there is a disciplined discovery of hidden costs. According to Savall and Zardet (2008), "A cost is said to be hidden when it does not explicitly appear on the company information system, such as the budget, financial accounting, and cost accounting, or in the usual ledgers and logbooks" (p. xx-xxi). However, there are many consultants who are aware of hidden costs, and some who provide some approximation of hidden costs, although we suspect not with the level of research that one finds in SEAM. For instance, see the work of Swanson and Holton (1999). SEAM does have its well-researched identification of six dysfunctions, which lead to the five indicators of hidden costs, which in turn lead to the financial consequences, the hidden costs (Savall, Zardet, & Bonnet, 2007), but many consultants use similar factors. Identifying a problem does not create lasting and positive change, it is only a beginning.

If we look at the six management tools, none of them is unique. Many consultants help people examine their use of time, explore whether employees have the required competencies, and work on prioritizing and strategic planning. The periodically negotiated activity contract, in which each six months actors examine their priorities as they relate to the strategic plan and how they will spend their time in pursuit of their priorities, is common sense, although we have found that this common sense is applied too rarely. The piloting logbook, by which actors measure their progress, is another application of common sense that we see too rarely.

SEAM is deliberate in insisting that clients explore the political and strategic decisions that have to be made to make organizational change work. This too is not exceptional. The periodic political and strategic decisions of SEAM are common elements of management consulting.

What makes SEAM unique is the combination of all these in one systemic intervention which is shaped by many years of research and refinement, and by the SEAM core belief. In the SEAM approach, the intervention is designed for the whole organization, weaving together the elements of action research, training in management tools, and work on political and strategic tasks. Coaching leaders and facilitating group work add to the whole system intervention. The introduction of hidden costs first helps shock actors into seeing the results of their performance, and later provides some guidance for where to concentrate projects so that the organization most effectively reduces hidden costs and develops human potential.

To this point, the SEAM intervention is an effective whole system intervention. The deep beliefs of SEAM intervention-researchers complement the intervention and make it much more powerful.

The core belief that shapes the change process

The core belief that shapes the SEAM change process is that all actors need to be accepted unconditionally, without judgment. In other words, the guiding principle about how all actors ought to be treated is love. What do we mean by love? In English the word love has several meanings. We use the definition articulated by C. S. Lewis (1971), who identified four different kinds of love: affection, friendship, romantic, and unconditional. Affection is the fondness we hold for others with whom we interact, such as with family and co-workers. Friendship is the strong and loving relationship between friends. Romance, or *eros*, is love between lovers. Unconditional love, *agape* in Greek, *caritas* in Latin, is what Lewis sees as the greatest of all loves. In our words, unconditional love means accepting someone as they are, without judgment and without insistence that they change. Caring and respect are aspects of this unqualified acceptance we describe as love. We believe that this unconditional love is what makes SEAM work.

Love is not a topic that arises often in management consulting. Consultants and clients are focused on efficiency, effectiveness, and profit. Love is considered a soft concept, and probably is deemed irrelevant in the consulting process and in business itself. Nonetheless, we wish to put forward the proposition that to intervene in the SEAM approach, the consultant must begin with love for the client organization. The consultants' love of the client organization is part of the SEAM philosophy, and a significant factor in their successful results. Indeed, when SEAM really works, we suggest that a result of the intervener-researcher's love for the actors is part of the intervention that allows actors to accept the dysfunctions that are present in the organization. In addition, the modeling of unconditional acceptance by the researcher-interveners may help leaders develop a new relationship with the other actors in the organization.

A SEAM definition of love can be translated as "an absolute respect of a person, or of people in general, while at the same time demanding compliance with norms and rules." We propose that this SEAM definition of love is identical to the Greek *agape* and Latin *caritas*. Accepting people unconditionally does not imply that one also accepts all of their behaviors. One can challenge a behavior without judging or rejecting the person. SEAM was built on the idea that the conflict must be addressed with determination and firmness. Strong and sustainable human relations are demanding and not complacent. So love means accepting and not judging the person, and being very clear about actions that are and are not acceptable. This is tough love, the love that says, "that behavior is not professional, not brave, not supportive of your team, and thus it is not acceptable."

SEAM is based on the premise that SEAM intervener-researchers, and all actors in an organization, have the duty and the moral obligation to help people grow and achieve. This duty to help people grow applies even if people are not aware of their current state of lack-of-growth because of the poor management system in which they live. The SEAM assumption is that most people would choose to grow and achieve, and if this is not the case the lack of ambition is most likely the result of educational and management practices that have wounded the actor. When this is the case, what is the loving response? To accept the actor as she or he is, wounded and in need of healing, and then to provide the means for growth if the actor chooses to develop.

The virus that causes the damage

Most organizations in western society are infected by a system of destructive beliefs. This system of beliefs is called a virus. The socio-economic theory of organizations (Savall, 1973; Savall & Zardet, 1985, 2006) has named the virus TFW, in "tribute" to the promoters of the ideas that allowed the virus to crystallize and grow: Taylor, Fayol and Weber. The causes of many problems and hidden costs in organizations are due to lack of cooperation between people, and condescending behavior of management towards their employees (Cristallini, 2011).

The result of the virus is the belief that some actors are superior to others, and often this belief is prevalent in leaders. This belief of superiority creates in people arrogance, a tendency to treat employees brutally, and the belief that it is acceptable to exploit employees in the workplace. A workplace in which the TFW virus has taken hold can be recognized by several behaviors on the part of leaders and others, selfishness and egocentrism, non-cooperation, a cold technocratic approach and manipulation of people. Here are some of those:

Lack of consideration and common courtesy
- Absence of greetings and courtesy
- Tactless verbal or physical behavior
- No consideration of requests
- No consensus on decisions
- Secrecy and intrigue
- Not being on time for appointments
- Denigrating menial tasks or impose certain
- Unanswered questions

Failure to honor commitments or mental manipulation
- Untimely cancellation of appointments
- Non-implementation of a decision
- Tricking a person
- Betrayal of confidentiality and discretion
- Demagogic speeches
- Denial of the realities faced by people

Mental or physical violence
- Physical remoteness of a person or entity, isolation
- Use of profanity
- Tantrums and outbursts
- Verbal or nonverbal
- Refusal of speech and the expression of opinions
- Sexual harassment and abuse
- Failure to pay compensation or reimbursement of expenses, financial sanctions

Defective working conditions
- Premises unsafe or inappropriate
- Lack of equipment or defective equipment
- Impose excessive rates or objectives
- Excessive physical workload
- Nuisance or unhealthy pathogens

Utilitarianism and neutralization of the creative capacity
- Hoarding good ideas
- Denial of training and learning
- No time for creation and imagination
- Denial of evolution and diversification of labor
- Financial edge, indecent wages

Cold technocratic and not taking into account of people's humanity
- Not listening to personal problems (family, financial, health ...)
- Lack of organizational flexibility work life / life outside of work
- Hours of undue encroachment on family life
- Pressure on actors' beliefs and values
- Refusal to honor the needs motherhood

Ostracism, lack of fairness
- Unjustified differences between people
- Racism
- Manifest preferences and differential treatment

What makes these behaviors unloving? They are deeply disrespectful of people. They are attempts to force people to be different through fear, or denial of the human needs of people, such as the need to be creative or to have meaningful work, the need to be valued as a person, or the need to have time for self and family. Any organization that allows such behaviors, either deliberately or by neglect, is an unhealthy workplace that is destructive of the actors involved.

The virus is the antithesis of love. In many organizations, intervener-researchers have observed behaviors that are disrespectful, fear-inducing, humiliating, and thus which are the opposite of behaviors that are generated in love. One of the goals of SEAM is to eliminate unloving behavior so that all actors can thrive, and as a result the organization can become more productive. An interverner-researcher could do all of the functions outlined in the SEAM trihedron, but is these were done without love, we suspect that they would have minimal success.

Our point is that a primary goal of SEAM is to combat the TFW virus, to inoculate the organization so that it throws off the virus and becomes healthy. Love is the antidote to the TFW virus.

Forerunners of SEAM

The SEAM viewpoint is rooted, in part, in classic organization development. For instance, we have known since Rensis Likert's work that participative management is in general the most effective style of management, and Likert claimed, the only effective way to dramatically improve productivity in an organization. However over the years, getting organizations to live out a participative management approach has been difficult. Likert (1967) observed in *The Human Organization*:

> A science based management, such as System 4 [Participative] is appreciably more complex than other systems. It requires greater learning and appreciable greater skill to use it well, but it yields impressively better results, which are evident whenever accurate performance measurements are obtained. (p. 46)

Likert also found that the change took three years, and most organizations were not willing to wait that long for the change to reach fruition.

Underlying participative management is an issue of respect. To be truly participative, leaders must recognize that all actors have knowledge that is valuable. This seems to have been

less important back in the days when life was simpler. The general or archbishop could move up through the ranks to become leader, and would have gained the knowledge needed to lead. Now, in a highly complex and specialized workplace, no one can have enough knowledge to make wise decisions. Participation is needed, which means the actors with knowledge have to be respected enough so they are asked to share their knowledge, and then to actually listened when they do share, and finally included as full partners in the change process.

The founders of organization development, such as Douglas MacGregor (1960, 1985) described the importance of treating each person with respect. One can find the same value in the OD Network statement of values, and the Academy of Management's statement on OD values. And yet such respect is so rarely found in organizations. The question is why? Perhaps it is like with the Likert's findings on participation, not enough organizations are willing to take the time to wait for good results. In order to really respect a person, actors, and especially leaders, have to invest time and effort in listening, trying to understand the other's point of view and to develop the person's potential. It is easier to tell people what to do and dismiss those who are wounded or need care. Therefore, the virus lives in today's organizations, and decades of management consulting have not made much progress in combating the virus. What makes SEAM different?

Love makes the process acceptable to the client

The question for SEAM is how to enter into an organization, and change the values and practices of the leaders and all actors, in a manner that develops positive and sustainable change. This is a difficult task because leaders tend to resent being told that their approach to management is flawed. Employees may be afraid of being fired or ignored or exposing their own failings and so may not be ready to be open. In the organizations in which we have worked, we find many actors whose assumption is that if they challenge organizational authorities then somehow they will find retaliation in their future. How does a SEAM intervention manage to overcome such resistance?

The SEAM approach has been to focus on the intervention (the action-research process, the management tools, and coaching). The intervention process has been proven to be effective by over 1300 replications. Rather than verbally promote beliefs and values, SEAM intervener-researchers model the values. One has to model the behaviors that manifest love. A core value is that all actors are important, not because they are effective, but because they are people and the right way to respond to all people is with love. First, in the horizontal intervention, leaders model openness, respect and inclusion. They accept each member of the leadership team without qualification. When the vertical interventions begin, the same unqualified acceptance of all actors continues. When people are accepted without qualification, with respect and care, we are in the presence of love. It is the repeated actions that convince people that they are loved, much more than words. In SEAM, the objective is not to make pronouncements about love. The objective is to demonstrate actions that, whether or not they are titled as love, will be perceived by actors as caring, unqualified acceptance and respect.

Where does love come into play? The intervener-researchers model love to the client. They show what unqualified acceptance, and respect and care look like in the workplace. They treat the leaders with respect and care, and they treat all other actors in the same manner. In doing so they overcome much resistance. People are more willing to hear the negative aspects of their behavior if they know the person offers these without judgment, with a positive intention,

and not our of any sense of superiority. In other words. When clients feel that the consultant mirrors what is not working well, in a spirit of love, the client is more willing to listen.

SEAM is based on the premise that conflict is normal and inevitable among and between actors. We live in a culture that often believes that conflict is somehow bad or destructive, and something to be avoided if one is a kind and loving person. We argue instead that conflict is normal, and has the potential to be either constructive or destructive. Often the difference is how one engages in conflict. Those who enter conflict with the aim of winning over the other person, no matter what the price to the other, are most likely to have the outcome be destructive. Those who engage in conflict with the goal of listening, learning, and seeking the outcome that will be best for both parties, this is, those who approach conflict with a spirit of love, have the most potential for positive outcomes.

Conclusion

In SEAM, solutions are not prefabricated, but the main goal is to establish, through a general process of negotiation "right and fair human relations." This is a very different approach than many management consultants take:

> In the nineteen-seventies and eighties consultants tended to figure employees as simply part of a firm's costs. In the whirlwind of creative destruction, employees are subject to "churn" – the turnover that is an inevitable byproduct of the struggle among firms to compete. Globally, employees are pieces that can be moved around and replaced. (Menand, 2012, p. 77)

Too often the description still fits. In the end, all actors can tell the difference between being loved, and being treated like a disposable tool whose purpose is to make a profit for someone else. To love someone means letting or encouraging them to grow. Sometimes this means letting people live their life and leave, not holding them under the yoke if they choose not to work in accord with the rest of the organization. SEAM is based on the development of human potential, development through love and not through fear and not focused on the administration of human resources. That is the difference that SEAM intervener-researchers bring to the consulting process, and this is one of the reasons that SEAM works.

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