

MANAGEMENT CONSULTING

In a bid to open up better communication channels between British leaders and their workforces, the Government brought a new law into force this April that implements an EC Directive on informing and consulting employees. As regulations go, it sounds innocuous enough. In fact, this act has the potential to fundamentally change the way organisations are led, how strategies are built and the way UK employee needs are met.

The new law (the Information and Consultation of Employees Regulations 2004) states that business decisions 'remain the responsibility of management', but there's now a legal requirement for business leaders to listen, conscientiously consider and respond to the views of staff.

AMERICAN THEORY

It's an interesting development, given the growing following in the UK for a theory known as Servant Leadership. This approach is based on Christian principles and asserts that the best leadership comes first from the desire to serve others. Pioneered in America in the 1970s by management guru Robert Greenleaf, the concept has been around in the UK for some time, under the guise of employee empowerment. We Brits have generally steered well clear of any notion of 'servant-ship', and instead interpreted the theory as meaning



While most managers already know that good communication is the key to a happy workforce, **Lyn Bicker** explains how a new government act has enshrined employee consultation in statute

that sharing ideas with the workforce and making sure people are heard is a more productive leadership style than the positional authority.

It's essentially about making people feel valued for their involvement in the business and recognising that they have an intelligent contribution to make. How far we take this approach is not accounted for by the new law, and nor should it be – that's for us to sort out.

Exploring the take-up of servant leadership in the UK, BBC Radio 4's *Nice Work* programme in April highlighted supermarket chain ASDA. It has made a concerted effort to close the gap between its managers and shop floor workers. 'Colleague circles' – an elected group of workers that meets with managers monthly at each store – mean people are consulted on things that make a real difference to their working lives. This inclusive approach to leadership can have a significant impact on company policy. One outcome from ASDA's colleague circles has been the introduction of flexible working. 'Benidorm leave' has been introduced as a means of managing the need for fewer staff in slower periods, for example.

But the positive effects aren't just about the soft and fluffy side of people management. There is a real impact on performance, with bottom-line implications. Staff turnover at ASDA is nearly half the average for UK retailers overall. And it's hardly ground-breaking stuff – it is about

listening to what people say, making them feel good about their ideas, and allowing them to use their initiative.

Pharmaceutical giant AstraZeneca makes the benefits of partnership between employees and management very clear. The company's UK Operations HR business partner David Westbury explains what working in partnership means in his organisation. It sounds simple – employees and managers assume joint accountability for solving business issues, and for agreeing how best to implement solutions for the benefit of everyone.

DIVISIONAL DINOSAURS

Elsewhere, I've been working with leaders looking to understand how sharing organisational needs with their staff can bring about change.

Given the skills to consult productively with their teams, transport sector leaders who need to visibly improve performance find they can address typical industry problems such as poor attendance with much greater success. In the public sector, the HR director of a government organisation is suffering from dinosaurs in his division and finding it doubly hard to achieve the change the organisation as a whole wants. Here, open dialogue is the key.

In my experience, involving people in debates and decisions that affect them creates longer-lasting change and produces a better quality outcome. But don't forget, using a committee to design a horse can produce a camel! Consultation is best for gathering ideas and data, and providing a starting point – not for complex and strategic decision-making. And take care that this is not seen as cynical management – apparently listening but then making the decisions people thought you were going to make anyway. Legally, you have to consult now. The challenge is to do it and mean it. ■

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