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**Applying Employee Involvement
in Schools**

**CEO Publication
G 91-15 (200)**

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APPLYING EMPLOYEE INVOLVEMENT IN SCHOOLS

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This paper explores the applicability of employee involvement approaches to the management of schools. Three approaches to involvement are each described for organizations in general and then applied to schools in particular. We conclude with a discussion of the design issues facing schools if they were to consider employee involvement.

Numerous articles and books have argued that work organizations need to move toward a more involvement or commitment approach to the design and management of work organizations (see e.g., Lawler, 1986; Walton, 1985). The advantages claimed for the involvement approach are said to include higher quality products and services, less absenteeism, less turnover, better decision making, better problem solving and less management overhead; in short, greater organizational effectiveness (Dennison, 1984).

High involvement management is not a single approach, but at least three different approaches (Lawler, 1988). All three are designed to encourage employee participation in decision making, but they result in very different kinds of involvement. An organization interested in adopting employee involvement needs to be aware of the differences among these approaches and to strategically choose the approach that is best for it.

The three approaches to involvement are:

1) Parallel Suggestion Involvement

2) Job Involvement

3) High Involvement

They differ in the degree to which they argue that four key features of an organization should be moved to the lowest level.

Briefly the features are:

1) Information about the performance, plans, and goals of the organization.

2) Rewards that are based on the performance of the organization and the contributions of individuals.

3) Knowledge that enables employees to understand and contribute to organizational performance.

4) Power to make decisions that influence organizational practices, policies and directions.

When information, rewards, knowledge and power are concentrated at the top, traditional control-oriented management exists; when they are moved downward, employee involvement is being practiced.

The "parallel suggestion approach" does the least to move power, knowledge, information, and rewards downward. The "high involvement approach" does the most. Because they have different strategies for positioning power, information, knowledge, and rewards, these approaches tend to fit different situations and to produce different results. It is not that one is always better than another, but that they are different and, to some degree, competing. We will consider how each of these three approaches operates, the results they produce, and how they can be used in school settings.

Parallel Suggestion Involvement

In suggestion involvement programs employees are asked to problem solve and produce ideas that will influence how the organization operates. The programs are a parallel structure to the ongoing organization activities because they take people out of their regular organizations and put them in a separate new structure or situation that operates differently than the traditional organization.

Quality circles are an extremely popular approach to suggestion involvement in industry (Lawler, Ledford and Mohrman, 1989). They are small groups of employees who get together regularly to solve problems or identify improvements on how the organization functions. They are often installed as one part of a total quality program. At this point, quite a bit is known about their effectiveness (Lawler and Mohrman, 1985; 1987). Like written suggestion programs they ask employees to recommend ways that the operations of the organization can be improved. They do not have the power to implement and decide on the installation of their suggestions. The group process by which a quality circle generates suggestions may lead to better suggestions and better developed suggestions than does the individual written process. In quality circles, considerable training is done to enable the group to function effectively and to help members become efficient problem solvers.

Traditional individual suggestion programs often include a reward system change as well. For example, non-management employees may be given a reward based on one year's estimated savings from the suggestion. Interestingly, managers typically are not rewarded for suggestions because it is "part of their job." Likewise, most quality circles programs have eschewed financial rewards.

Much more extensive reward system change is involved in gainsharing plans (Lawler, 1990). Plans differ in a number of ways, especially in how they measure organizational performance gains.

n the typical gainsharing plan, employees are asked to suggest improvements and they share in any performance improvement the organization makes. Gainsharing plans specify measure of organizational performance and a formula for sharing improvements with employees. Unlike traditional suggestion programs, in gainsharing plans employees share in gains for as long as they are realized by the organization. The payout is based on improvement compared to a historical base.

Most gainsharing plans move new information downward because they focus on organizational performance. Some include employee skill development in problem solving techniques. In some cases, gainsharing plans go beyond suggestion involvement by creating a joint labor/management committee structure that decides on the implementation of suggestions, designs and alters the plan, and makes other policy decisions. This represents a significant sharing of power.

Suggestion involvement programs generally do not represent a major shift in the way control oriented organizations deal with most issues. Instead they rely on a special parallel structure to change the relationship between individuals and their organization. This structure gives people the chance to influence things that they would not normally influence and in some cases to share in the financial results of this new activity. It also usually leads to some additional information being communicated, and individuals acquiring greater knowledge. However, the change in knowledge, information, and rewards often is limited to a small percentage of the work force. In addition, it is encapsulated because individuals are asked to use it only when they are operating in special suggestion type activities. During their regular work activities, it is work as usual.

Research on the parallel structure or suggestion involvement approach suggest that this approach can lead to improvement in organizational performance (Lawler, 1986). Case after case shows that individuals and groups often come up with suggestions that save a considerable amount

of money. There also seems to be no question that employees enjoy the opportunity to participate in problem-solving. As a result, they are often more satisfied with their work situation, and may be absent less, and turn over less.

Quality circles and other parallel structures are often relatively straightforward to install and start quickly. The problem-solving groups can be small and do not need to disrupt the organization. They can easily be installed in a single plant or even in a department of a larger organization. However, they do not change the existing organization structure and they usually involve only a small percentage of the work force.

There are a number of well documented limitations of the parallel suggestion involvement approach. They tend to have a "program" character about them which leads to their being temporary systems in an organization. Parallel structures are expensive and difficult to maintain. In some situations, they run out of suggestions because individuals do not have enough expertise to solve the more complex problems. They also often are resisted by the middle levels of management because parallel structures threaten their power and put them in the position of having to do extra work to respond to ideas from employees. Conflict can develop between those who are in parallel structures and those who are not. Nonparticipants can come to resent being left out. Sometimes they can lead to a call for systematically restructuring the organization for greater involvement. In essence, employees like the taste of involvement they have gotten and want more.

Finally, over time, suggestion involvement approaches that are not supported by reward system changes may lose their momentum and disappear. This comes about because they do not systematically change an organization's way of operating or the way the total work force relates to the organization and its performance. Gainsharing plans typically do not suffer from this limitation because they affect the way everyone is rewarded.

Parallel involvement approaches are no less applicable in schools than in other organizations. The logic of parallel structures fits any organization. They do not initially involve a restructuring of the organization or a questioning of its logic. In fact, task forces such as for curriculum revision may be examples of temporary parallel involvement structures. A full-blown parallel involvement structure might involve creating problem-solving groups (or quality circles) in whatever organizational units seem sensible. For instance, each elementary school might have such a group; alternatively each grade level might have a problem-solving group. These groups would be tasked with identifying areas for improvement and then working to achieve the improvement.

As with other organizations, parallel involvement structures in schools cannot be expected to have staying power unless they are successfully linked to the other stakeholders in the organization so that they can influence the organization, and unless they are supported by the organization in the form of information, resources and rewards.

In public schools, especially, it may be difficult to establish compatible reward systems as they have evolved in industry. Certainly schools are interested in cost savings and theoretically it is possible to share cost savings with the employees who helped create them. Nevertheless, the political reality of publically funded schools makes it difficult to envision doing this. It is possible to envision more budget flexibility as a first step, however. A simple reward for a group's cost savings in one budget area might be the ability to apply the freed-up funds to another area.

Job Involvement

Job involvement approaches focus on designing work in ways that will motivate better job performance. One strategy, job enrichment, focuses on creating individual tasks that give people feedback, increases their influence over how the work is done, requires them to use a variety of skills, and gives them a whole piece of work (Hackman and Oldham, 1980). This approach has an

extensive research history going back to the 1950's, when behavioral scientists began to design alternatives to traditional standardized simplified work.

A second strategy for job involvement creates work groups or teams. This approach, too, has an extensive research history going back to the 1940's and the pioneering work of Trist, Emery, and Thorsrud (Cummings, 1978; Emery and Thorsrud, 1969). It differs from individual job enrichment in that it takes the work group as the primary unit of involvement. It tries to create group tasks and group performance measures and make all group members feel responsible for the group's performance. Self-management responsibilities can also be put in the group. Groups designed according to this approach are often called autonomous work groups, self-managing groups, semi-autonomous work groups, or work teams.

The job involvement approach has significant implications for how an organization is structured and managed. In essence, individuals are given new skills and knowledge, new feedback, an additional set of decisions to make, and may be rewarded differently. Both the individual and the team approach have these effects, although the team approach carried to its fullest has them to a greater degree. With the team approach interpersonal skills and group decision making skills need to be developed. The reward system also is changed more with groups or teams, since skill-based pay is often used. Skill-based pay increases the pay of individuals as they master a larger number of skills and become capable of a greater contribution to organizational performance. Finally, teams can make certain decisions that individuals usually can not. Both individuals and teams can gain more control over the way the work is done. They can do quality management, inventory, and other task related activities. Teams can also make personnel management decisions about hiring and firing, and may select their own supervisors.

Overall, job involvement represents a significant change in the fundamental operations of an organization. Individuals at the lowest levels get new information, power, skills, and may be

measured and rewarded differently. The change relates to particular work tasks; it typically does not have to do with the structuring and operating of the whole organization nor the development of its strategic direction. Unlike parallel suggestion approaches, the day-to-day work activities of all individuals are affected. Involvement is not a special activity. It is the way in which business is done.

Theoretically, the choice between teams and individual job enrichment should be made based upon the technology of the workplace (Hackman and Oldham, 1980). Teams are more complicated to build and to maintain, but may be necessary if the work is such that no one individual can do a whole part of it and get feedback about it. Teams are often appropriate, for example, in process production facilities such as chemical plants, oil refineries, and in complex service organizations such as banks and airlines. Where the technology allows an individual to do a whole task or offer a whole service, individual designs are preferred because they are simpler to install and give the individual more direct feedback.

Studies of job involvement approaches show improvements in productivity, quality, absenteeism, and turnover among individuals working in enriched jobs and in teams (Hackman and Oldham, 1980). These approaches also can lead to a reduction in the amount of management overhead because less supervision is needed. The net result for the organization is usually significant performance improvement. Unlike suggestion programs, job involvement structures seem to have reasonably good stability. This is particularly true in the case of teams, since they represent cohesive organizational units that are difficult to dissolve.

The limitations of the job involvement approach are primarily those of lost opportunities for employee involvement and contribution. Because they limit employee involvement to immediate work decisions, they do not capture the contributions that individuals can make to strategic decisions, and to higher level management work. This can lead to a tendency for individuals in

work teams to optimize their own performance without paying a great deal of attention to overall organization performance. Job involvement approaches may be subject to cancellation if employees do not influence higher level strategic decisions. This is particularly true with individual job enrichment. Unless major restructuring is done to support it, supervisors are often in the position of being able to unilaterally change jobs in ways that take away the decision making power that is critical. Job involvement efforts are particularly likely to be canceled when they affect small parts of an organization. Like parallel structures, if they are installed only on a limited basis, they can create friction between participants and non-participants.

Work involvement efforts do have significant start-up costs. They always require training and often they require new layouts of equipment and new information systems. Often overlooked is the need for training the supervisor and for dramatically changing the supervisor's job (Walton and Schlesinger, 1979). Work involvement efforts are often resisted by middle managers because they feel threatened by the new power which others have and by the need to learn a new approach to managing. Some supervisors are not able to learn the new skills which it takes to manage successfully in a work involvement setting.

Teaching positions have traditionally been high in job enrichment. Elementary school teachers, especially, are often given nearly complete educational responsibility for a classroom of students. As students progress to higher levels of education teachers become responsible for narrower but more in-depth parts of student education. Nevertheless, their jobs are still quite enriched, compared to many other kinds of jobs. Teachers get frequent feedback about how much their students are learning; feedback on their own teaching techniques is less frequent.

Team approaches to job involvement have also been used in education. Team teaching has been sporadically utilized over many years at all levels of education. The logic behind team teaching is often compelling. It is a way for individuals with different but interdependent expertise

to coordinate their tasks and maximize their effectiveness with common students. The same logic can also be applied to other kinds of teams in schools, such as counselors, social workers, and special education experts who can effectively team up to deal with students with special needs.

Despite relatively high levels of job involvement, especially job enrichment, it seems clear that the performance of educational institutions needs to be much higher. Establishing more team approaches is part of the answer, but many of the problems that teachers have lie in the context within which they work. Most of these contextual issues are outside the domains of influence of enriched jobs and self-managing teams.

High Involvement

The high involvement approach has also been called the "commitment approach", "total employee involvement", or perhaps more descriptively, "business involvement". It builds upon what has been learned from the suggestion involvement and job involvement approaches. It structures an organization so that people at the lowest level will have a sense of involvement, not just in how they do their jobs or how effectively their group performs, but in the performance of the total organization. It goes considerably further than either of the other two approaches toward moving power, information, knowledge, and rewards to the lowest level. It creates an organization in which individuals care about the performance of the organization, because they know about it, are able to influence it, are rewarded for it, and have the knowledge and skills to contribute to it.

In order to have high involvement management, virtually every major feature of the organization needs to be designed differently than when the control approach is used (Walton, 1985; Lawler, 1986). It shares some things with the job and suggestions involvement approaches. Parallel structures may be used for certain kinds of problem solving and policy setting, and work is designed according to the principles of individual enrichment and work teams.

In the case of decision power, employees are involved in decisions about their work activities, and play a role in organizational level decisions having to do with strategy, organization design, and other major organization decisions. In order to make this happen, organizations are designed around business or customer based units, rather than divided into functional areas. Staff groups need to be kept small and placed in a service role. Perhaps most important of all, a flat structure with relatively wide spans of management is needed. Task forces are used to get cross sections of the employees involved in making important design and strategy decisions.

In a high involvement organization everyone's rewards are based upon the performance of the organization; hence, profit-sharing, gain-sharing, and some type of employee ownership are appropriate. In addition it is important that individuals be rewarded for their contributions. This can be handled by using skill-based pay for all employees. Pay information also needs to be open so that employees can understand how the pay system operates and can understand and participate in decisions concerning the pay of other employees. Finally, where practical, a policy of employment stability for all employees helps reinforce the organization's commitment to its human resources.

In high involvement as in other forms of involvement, employees need to have expertise in problem analysis, decision making, group process, and self management. They also need to be cross trained so that they understand the entire work process in their work area. In order to understand their organization's pay-for-performance system and to participate in higher level decision making they need to be trained in business economics and the basic elements of organizational strategy.

Getting relevant business information to all employees is key in a high involvement organization. Modern information technology represents a valuable tool because it has the potential to give employees throughout an organization the kind of operating data that will both inform them of how the organization is performing and allow them to make business decisions even

though they are not at the senior management level. The information systems also need to be designed to provide a good upward flow of information about how the organization is operating from a process point of view. Attitude survey data, sensing sessions and grievance information channels can be used to do this. Finally horizontal communications need to be supported by using cross functional task forces, encouraging horizontal career moves, and where possible creating channels in the information technology system which encourage it.

Creating a high involvement organization is clearly a much different and more complex task than is implementing job involvement or parallel suggestion involvement. Many of the methodologies and approaches for such practices as pay, selection, and training are readily available and well developed for control-oriented management. Installing them is simply a matter of taking established systems "off the shelf" and making them operational. When changing to high involvement, however, virtually every feature of a control-oriented organization has to be redesigned, and in some cases, design innovation is necessary because the appropriate approaches simply are not developed and available.

There is relatively little data on the effectiveness of high involvement organizations. Indeed, there are few examples to study. The closest organizations to this approach are the many team-based new plants which have been started around the world (Walton, 1985; Lawler, 1978). The data on the plants are largely favorable, but limited. In addition, there are some new organizations which have started with this approach and some employee-owned companies which are moving toward operating in a high involvement mode.

It is hardly surprising that the best examples of high involvement organizations are new startups. The high involvement approach represents such an extensive change from the control approach to management, that the difficulties in making a conversion are enormous. It is much easier to start with a clean sheet of paper and design the organization from the ground up. This

is in notable contrast to job involvement and suggestion involvement approaches which are often put in place in existing organizations.

The admittedly sketchy, testimonial type evidence that does exist on high involvement organizations generally shows superior operating results. They tend to be low-cost, low overhead, relatively flexible, adaptive organizations which are very quality and customer oriented (Lawler, 1986). They are, however, not cheap to start, since they require a large investment in selection, training, and system development. Nevertheless, given the multiple pressures on schools today, this may be precisely the kind of investment necessary.

Design Issues In Schools

For most organizations, developing an involvement management style requires the redesign of most features of the organization. The redesign is most complete in creating a high involvement organization, but significant change is required even to support parallel improvement structures. This section of the paper examines a number of the key design issues relevant to employee involvement, and raises some of the issues that will have to be addressed if schools are to use these approaches to address their performance challenges. It also addresses the question of which involvement approaches would be the most appropriate.

TECHNOLOGY ISSUES

Decisions about which management approach an organization should adopt ought to be guided by a number of factors. Perhaps the overriding determinant of the appropriate form of involvement for an organization is the nature of the work. To foster high performance, the social system and the technological system of an organization must be jointly designed to optimize system outcomes (Pasmore, 1988). The involvement strategy has both a social and technical aspect.

Three aspects of the nature of work are particularly critical in influencing the appropriateness of different involvement approaches: (1) the degree of interdependence, (2) the

degree of complexity, and (3) the amount of uncertainty that has to be reduced. Education is arguably high on all these factors, although the organizational designs and technologies that are currently employed do not necessarily acknowledge that fact.

Interdependence refers to how much individuals need to coordinate, cooperate, and relate to others in order to produce the product or deliver the services the organization offers. Organizations vary on this dimension from very high interdependence to low interdependence. For example, university professors and insurance salespersons are typically in a low interdependence situation while chemical plant operators and computer design engineers are in high interdependence situations. High interdependence argues for teams and against individual approaches to work design. Low interdependence favors maximizing individual performance through job enrichment or well structured individual tasks with large amounts of incentive pay and good measurement of individual performance.

Schools, particularly at the secondary level, are generally structured as if the work is analyzable and separable into different functions, or subjects, that can be organized independently. This has allowed individual teachers to operate in relative isolation from each other, thus minimizing coordination. On the other hand, a case can be made that there is a great deal of interdependence inherent in the task of educating. Various educators deal with the same raw material (the student), and their actions, standards, assignments, and instructional approaches have at least a cumulative and probably an interactive effect on the student's education. This argues for an involvement approach that is based on teams developing improvement techniques and managing the education of groups of students.

Another crucial issue in determining an involvement strategy is the complexity of the work involved; high complexity calls for job enrichment at the individual or team level, while low complexity calls for simple jobs and incentive pay. Technology has a substantial influence on the

complexity of the work. Complexity can vary all the way from the highly repetitive jobs associated with assembly lines, to the highly complex knowledge work represented by professional jobs and jobs in state-of-the-art manufacturing facilities. Where the work is simple and repetitive by necessity, it is hard to put in place a high involvement or even a job involvement approach, unless the technology can be changed. These situations are often limited to parallel suggestion involvement approaches that can operate with most approaches to work design and most types of technology.

With complex knowledge, the best choice is one of the involvement approaches. At the very least, job involvement is called for, job enrichment in the case of independent work, and teams in the case of interdependent work. If other conditions are right, high involvement would seem to be the best choice.

Educational jobs involve complex knowledge and skills. Teachers are required to simultaneously focus on the characteristics of the content that is being taught, diverse materials that are being used, the varying characteristics of the individual learners, and the group process that is established in the classroom. High involvement flourishes where complex knowledge work exists because individuals who do this kind of work possess the ability to participate in a wide range of decisions, and often expect and want this approach to management.

The third characteristic of work that relates to the involvement approach is the amount of uncertainty that is inherent in the task--i.e., the amount of on-line information processing required to determine how best to enact the job. Work that is highly uncertain must be designed so that performers have a great deal of discretion; jobs must be enriched in content and in decision making authority. Furthermore, if the reduction of uncertainty requires information from multiple sources, a collective involvement strategy is called for. Because the reduction of uncertainty is

inherent in the work, the involvement strategy cannot be limited to improvement strategies such as parallel structures. It must be job or high involvement.

The task of education requires a great deal of on-line uncertainty reduction. Each student brings a set of capabilities and cognitive styles that must be figured out by the teachers. Individuals and groups of students arrive each day in different emotional states and with different energy states. The technology of teaching itself is not fully understood, and varying approaches are differentially effective with different students. The uncertainty inherent in education argues minimally for a job involvement strategy.

It can be truthfully argued that the jobs of teachers are already quite enriched. Teachers manage multiple aspects of their own classrooms, and are responsible for large, coherent chunks of the education process. Nevertheless, the public dialogues today suggest that teachers are neither motivated nor empowered by these enriched jobs. This raises at least two questions germane to the notion of the best involvement strategy for schools. First, do teachers have control over the conditions that truly make a difference in education? Do the contextual factors so overwhelm what goes on in the classroom that enriched jobs are insufficient forms of employee involvement? If so, that would argue for an involvement strategy that goes beyond the classroom. Parallel improvement strategies and high involvement approaches are ways to extend teacher influence over these other factors. Second, is an individual involvement strategy such as enriched individual jobs the best way to involve teachers in their work, given the highly interdependent nature of educational tasks? If not, collective approaches such as team work designs and task force management can be expected to have greater performance impact.

This relates to the form of technology that is chosen. Technology is only partly driven by the products and services the organization offers. There is flexibility in the technology an organization chooses to use. Technologies can be modified to produce the type of jobs that are

congruent with the desired form of involvement. A heroic example of this is the way Volvo has worked to alter auto assembly technology to make it congruent with work teams.

Teaching is an example of work for which the technology is somewhat variable. For example, the demarcation between the tasks that are done by computer and the tasks that are done by a teacher is flexible. Teaching tasks can be configured in a number of different ways. Teachers can teach in isolation or they can teach in teams. Teachers can impart information or they can help students discover knowledge. Appropriate involvement strategies will in part depend on what technologies are employed. Because the technologies are malleable, and because different technologies are likely to be effective for different students and to teach different material, the involvement of teachers is critical to organizational performance. Creating a context that constrains the application of diverse technologies interferes with the education process.

ORGANIZATIONAL STRUCTURE

A key tenet of effective involvement is that the design of the organization should consist of measurable units that control the inputs and processes by which outcomes are produced. Only then can employees be held accountable for outcomes.

The macro structure of education includes its organization into districts, sub-districts (if any) and schools. Its micro structure is the organization within a school into units such as departments and classrooms. Both are important design features that can facilitate or impede employee involvement. These structures are closely related to the internal functioning of the educational system and to its relationship to the community it serves.

The macro structure frames the vertical distribution of tasks and decision making. Tall structures with centralized decision making concerning issues vitally linked to the functioning of teaching units put a great deal of distance between the line employees (employees who directly service the student), the variable needs of the clientele, and the decisions that impact educational

quality. Additionally, each layer in the organization increases the complexity of the bureaucracy that must be dealt with in order to introduce innovation so badly needed in educational institutions and to take action to respond to unique needs of unique students. Employee involvement of any of the three forms described in this paper demands a relatively flat structure, and the movement downward in the organization of influence and authority over educational inputs and process.

At the micro level, individuals need to be in units small enough for them to influence how things are done, and large enough to contain the various tasks and expertise that influence the outcomes. The school may be too large and the classroom is probably too small to meet these conditions. Even in a classroom where one teacher is responsible for the entire instructional component of education, there may be a need for ancillary skills such as counseling and social welfare services to be aligned with the classroom focus. When teachers specialize, a team is required to meet the instructional requirements of education.

Both the macro and micro structures determine the way in which the educational system segments and responds to its clientele. Geographically defined units and content specialized units have different approaches that yield different technological and structural imperatives. For example, a geographically defined school uses internal structures to segment different specialty offerings or to respond to different sub-populations. A specialty school is able to create units that integrate various aspects of the educational content for defined population of students. High involvement is made possible when units at different levels of aggregation (classroom, teams, schools) have clear outcome responsibility for delivering a defined set of services to a defined population. This logic may call for fundamental restructuring of education.

ORGANIZATIONAL BOUNDARIES, CUSTOMER DEFINITION, AND RELATION TO STAKEHOLDERS

Schools are mission driven service organizations, politically embedded in their communities. This makes them subject to a different set of control mechanisms and assessment criteria than

private sector organizations embedded in a market economy. Educators are not the final arbiters of many educational decisions, such as what resources are required for excellent education, or how best to cluster children for their educational experiences. Furthermore, schools have a variety of "customers", including students, their families, the communities in which students are citizens, and the businesses and service organizations that will employ them. At minimum, this means that improvement processes will require the development of a broader constituency than educators, perhaps including parents, children, and other community members who are stakeholders in the education of children. It also implies that movement to a high involvement approach would require buy-in from stakeholders beyond educators.

Political influence occurs at multiple levels. Elected boards influence at the district level; parent and neighborhood groups influence at the school and classroom levels. Movement to a high involvement approach, entailing transfer of control over inputs and processes downward to units close to the client would demand buy-in from constituencies at multiple levels. Furthermore, the involvement mechanisms, such as teams, councils, mini-boards, and the like, would have to include opportunities for multi-stakeholder input. Current trends toward school-based management are leading to a great deal of experimentation in how best to make this happen.

MEASURES

One of the key organizational design features allowing meaningful involvement is the existence of measures. The lack of a market mechanism makes the issue of school measurement murky. There is no test of the relative efficiency and effectiveness of schools in applying resources to education. Public schools have been relative monopolies; precluding their clientele from taking their tax-based resources elsewhere to get a better education.

The multiple stakeholders of the schools also have multiple agendas for them, some of which work at cross purposes. What is an excellent school? To whom should it be responsive?

How should performance be measured? The answers to these questions vary significantly depending on the stakeholder. In the absence of a clear agenda, schools can be accountable to all and responsive to none; worse, they can be run for their own self-enhancement.

If involvement is going to improve performance, it must include mechanisms for clarifying desired outcomes, measuring them, and motivating improvement. This may include changes at the micro and macro levels. At the macro structural level, it probably includes introducing a market mechanism to allow customers to determine by their choice of schools what outcomes are important to them. Right now they are demanding all outcomes from an organization to which they are captive. Movement of choice into the consumer's hands will yield varied institutions that focus on different outcomes.

Involvement will also require clarification of outcomes at the micro level. By moving prioritization of outcomes to a smaller sub-system of a school district, stakeholders can get intimately involved in clarifying priorities, and appropriate measures can be developed. The effectiveness of this approach depends also on moving the ability to make resource trade-offs to the micro-unit.

REWARDS

Rewards are one of the four organizational features that have to be moved downward in the organization to support employee involvement. It is through the reward structure that the self-interest of the employee and the organizational mission are aligned. Even in highly mission-oriented organizations, employees are faced with practical realities that will lead them to emphasize rewarded behaviors. The reward system sends messages about what kind of performance is valued and shapes behavior. If designed properly, it can give the employee a very clear stake in the success of the organization.

The concept of performance-based rewards has historically not been well received in the educational establishment. Even modest forms of merit pay have been rejected by teachers' organizations. Consequently, there will be substantial resistance to this aspect of involvement.

Reward system design issues that will have to be addressed include the nature of the performance to be rewarded and the form that the rewards take. Schools might think about rewarding a team of teachers for the improvement in academic performance of a given population of students over a series of years. Or they might benchmark academic attainment against a set of schools similar in composition and resources. Rewards might take the form of bonuses, increases in professional paid development time, or increased access to instructional tools such as computers.

The effectiveness of the reward system depends on the coherence of the overall organizational design. Rewards should accrue to the educators in units that are well defined in terms of accountability and control over inputs and process. In team-based organizations, rewards should accrue to the team (Mohrman, Mohrman and Lawler, 1992).

The base compensation system for educators may also have to change to sustain employee involvement. Involvement requires the development of organizational and problem-solving skills that teachers may not currently possess. Team education may require cross skilling and organizational sophistication beyond current teaching content and process skills. This opens an avenue for career progression that is characterized by broadening of horizontal skills (exposure to different aspects of teaching) and vertical skills (development of self-management and organizational skills). A person-based (or skill-based) compensation system (Ledford, 1991) would support this, and philosophically does not represent a major departure from current base pay that awards increases for educational attainment.

To move accountability, power, and rewards to those close to the customer requires a great deal of supplemental movement of information and knowledge. Increasing the horizontal and

vertical skills of educators requires a well planned skill development system including cross training and skills certification processes. In addition, units can only be empowered to determine objectives and strategies for achieving them if they are very well informed about legal and societal requirements and about how they are performing in contrast to other units. Thus, the information dissemination capabilities of school systems, including the feedback and interpretation of performance results, are critical.

The Change Process

Implementing employee involvement, particularly high involvement approaches, will require fundamental change in many organizational design features of traditional schools and in their governance structure. Since change is itself a process that consumes resources, one must ask the question of how to justify that additional cost.

Partially the answer to that question lies in the assumptions one makes about the leverage points in education--i.e., what can be changed that can substantially improve the educational impact of the resources that are applied. One need not take a position on whether societal resources applied to education should be increased in order to answer affirmatively the question of whether the resources that are consumed should result in greater educational attainment. In this respect, schools are not unlike most private sector organizations that are having to make a quantum leap in outcomes attained for the resources they expend.

A learning from the private sector is that such a non-continuous improvement in performance levels can only be attained by making fundamental changes in the architecture and software of the firm. Levels must be reduced, processes must be streamlined, a greater percentage of the firm's resources must be applied to the fundamental transformation processes of the firm and less to the control of its participants. Employees must be able to contribute a much wider range of skills and must be empowered and motivated to do so.

We are not talking about minor tinkering or well understood change. There is no roadmap. In the private sector, the last twenty years has been a time of experimentation, both reluctant and enthusiastic. Gradually a new set of principles are emerging that are changing the essence of the firm (Lawler, Mohrman and Ledford, 1992).

The change process even in firms that are experiencing a clear mandate to change or die is complex, drawn-out and difficult (Mohrman et al, 1989; Beer, Eisenstat and Spector, 1990). Each firm "invents" its own future, finding the design features that fit the nature of the work it does and the market it faces, and embarking on a process to learn a new way of functioning.

Part of the essence of this kind of change is fostering and nurturing a variety of alternatives, so that the organization can learn what approach or approaches work best in what situations. As firms adapt to their multiplicity of customers, they come to find out that there is no one way that fits all, and they develop an ability to house and nurture diverse ways of functioning. There is no choice but for each organizational unit to participate in changing itself. Units at all levels become involved in a process of self-design (Mohrman and Cummings, 1989). In this process, the multiple stakeholders get together to design their organizational unit. They first clarify the values that they are trying to optimize, educate themselves about their choices and the trade-offs they must make, and determine how their future must differ from the status quo. Only then do they determine a design, implement it, and set up a process to learn how it works and to tinker or change it until they achieve their desired results. A self-design change process is a participative learning process for guiding fundamental organizational change.

The political nature of schools makes the transition more difficult than in private sector firms. Agreement on desired outcomes and on assessment of current performance is hard to come by, and lack of agreement is likely to paralyze needed reform. This facet of school governance argues for true high involvement--for moving the design process as close as possible to a particular

customer base, thereby reducing the number of political agendas that have to be accommodated. This approach will also accelerate the generation of alternative models that can be tested in practice rather than become political hostages.

Conclusion

There is no one right approach to involvement. It needs to be dictated by a number of factors. If all an organization's systems are traditional, well developed, and firmly in place, and its technology leads to relatively independent structuring of tasks, then suggestion involvement is an appropriate place to start.

The work of educating is, however, complex, uncertain, and highly interdependent. Therefore, higher level forms of involvement are called for. A greater distribution of power, information, knowledge and rewards to the schools and the teachers can be expected to pay off in higher levels of organizational performance. This may require redesigning the school in very fundamental ways -- perhaps starting from scratch and building a much different institution.

Much has to be learned about how to create the high involvement school. There are several aspects of educational organizations that are not analogous to the private sector organizations in which high involvement approaches have been most widely practiced. The political nature of education and schools, the diversity of stakeholders, lack of consensus about measures to be optimized, and lack of history of seeing themselves as business optimizing resources all must be taken into account. The design must be carefully developed using a change strategy that builds in learning and redesign.

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