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Version 1.0



# Socio-Economic Approach by SEAM Inc.©

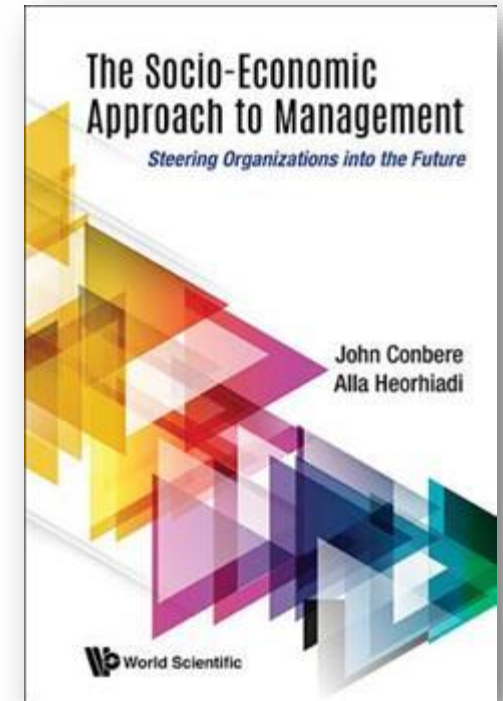
The Socio-Economic Approach to Management (SEAM) was developed by Henri Savall and his colleagues at ISEOR in Lyon, France.

This is the first version (1.0) of the SEAM Map that was inspired by the SEAM book. The goal and purpose of the map is to convey the ideas behind SEAM concepts and capture interest in seeing the value of the entire system. The images on the map are a visual representation that invites you to explore the information about the theories and practices that make SEAM unique.

The SEAM Map Version 1.0 was created by Mary Demain, John Conbere, Alla Heorhiadi, Sarah Skillman and Brian Irwin in February 2022.

For more information, see the research tab on this site for in-depth articles and for training about SEAM for individuals and organizations.

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Read about *The Socio-Economic Approach to Management: Steering Organizations into the Future* by John Conbere, Alla Heorhiadi by purchasing the book published by World Scientific Publishing Co..



# The SEAM Institute

SEAM was created by Henri Savall in 1973 and developed with his colleagues at the Institut de socio-economie des entreprises et des organisations (ISEOR) in Lyon, France.

SEAM is based on several concepts that radically differ from mainstream economic and management beliefs about effective and profitable organizations. SEAM brings together academics and practitioners with the concept of intervener-researcher – change agents who lead interventions and share the knowledge they gain through their work.

The SEAM Institute is a professional organization that promotes the knowledge and practice of the Socio-Economic Approach to Management for creating and sustaining organizational change. Its members are academics, leaders and organization development practitioners who support the work of SEAM.

SEAM, Inc. is a consulting firm that specializes in conducting SEAM interventions.

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**SEAM**  
INSTITUTE



# Whole System Change

Whole System Change

## SEAM is a whole system change

The **Trihedron** includes the SEAM Experts who are responsible for the gathering data, teaching the theory and coaching.

### 1. The Intervention

- This is where Interviews are conducted, analysis of actors' identification of dysfunctions and ends with the Mirror Effect Meeting
- This part is where the SEAM experts identify what actors did not say, pinpoint the root causes and devise proposed baskets and this ends with the Expert Opinion Meeting
- As part of the Expert Opinion, the group volunteers for baskets where they improve the organization

### 2. Teaching Managers the SEAM Management tools

- Time Management, Priority Action Plan, Competency Grid, Delegation Tool, Internal/External Strategic Action Plan, Piloting Logbook

### 3. Coaching leaders on changes

- Helping managers master the SEAM management tools
- Helping managers deal with issues of change

The **SEAM Intervention** starts at the top. The intervention cascades through the organization. Managers learn the tools and then teach the next group with the help of the experts. SEAM models a Participative Management Style that makes the whole system change work.

**The key** to helping organizations change is through humane, ethical and spiritual interactions from both the consultants and managers. This becomes a transformative learning cycle that sustains the change.

The **philosophy, methodology and outcomes** are part of the foundational principles that guide SEAM interventions.



# SEAM Philosophy



## Philosophy

The core philosophical concepts are what shape the theory of SEAM.

1. Need both socio and economic – 2 sides of the coin
  - *Socio-economic theory* posits that the workplace is like a coin. On one side is a symbol for money, on the other a symbol for people. The sides are integrally connected. You cannot have one without the other. Too many organizations profess to value people, but the behaviors of top managers show that financial gain is valued much more than employees.
2. Systems thinking – blame the organization not the individual
  - Classical economics posits that capital is the measure of an organization's value. In socio-economic theory, developed by Henri Savall and his colleagues, people are the source of value for the company.
3. Need a new mental model of management – anti TFW
  - The modern mental model of management is flawed. The metaphor for this is the TFW (Taylorism – Fayolism - Weberism) virus.
4. People are not disposable - treat everybody with love
  - For many people, to live within the SEAM philosophy requires transformational learning.
5. Human potential is the real source of value in an organization
  - Organizational value comes from human potential and the extent to which organizational members' potential has been developed.
6. Intervener-researchers combine scholar and practitioner roles.



# SEAM Methodology



## Methodology

The intervention concepts bring to light the new way of thinking for the engagement.

1. Actors are involved to do the change work (in baskets) and experience participative management
2. The clover leaf depicts that identifying dysfunctions & hidden costs to find root causes is more effective than top-down changes to structures or behaviors
3. It is an evidence-based approach to change
4. Addresses root causes of dysfunctions, not symptoms



# SEAM Outcomes



## Outcomes

SEAM interventions work in these ways:

1. A new mental model of management
  - The development of managers' skills through what they learn in the intervention and the use of the SEAM management tools.
2. Reducing dysfunctions and hidden costs
  - Every dysfunction has a cost. Most are not measured by standard accounting and so are called hidden costs. In SEAM dysfunctions that create hidden costs are identified and then reduced.
3. Increasing human potential
  - The goal is freeing up the time and energy of employees so that they have the time and resources to develop their potential, which in turn adds to the value of the organization. The increased value is seen over time as employees become more skilled and more agile, and so more able to creatively respond to dysfunctions within the organization and to changes in the environment.
4. Increasing actors' morale & engagement
  - Most people want meaningful work and respect. SEAM develops a highly respectful workplace in which actors have the ability to get rid of meaningless and dysfunctional work processes.
5. Increasing organizational agility
  - With SEAM, organizations become much more cohesive, cooperating across organizational silos and hierarchical boundaries. This prepares an organization to become functionally agile. Many organizations seem to want agility, but do not change the management system. When this happens, agility is limited in the potential people can achieve.

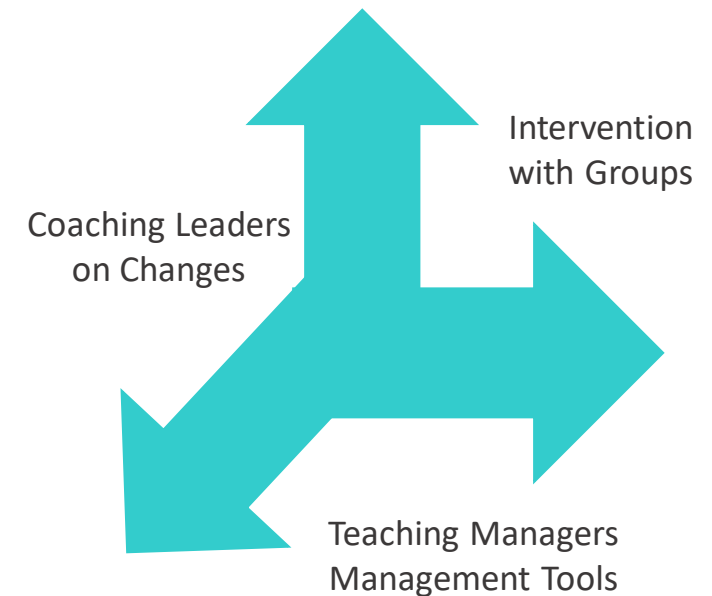


# The Trihedron

## The Trihedron

The Trihedron consists of three foci. The engagement with groups, coaching leaders and coaching on management tools. The three work together to develop and sustain positive organizational change.

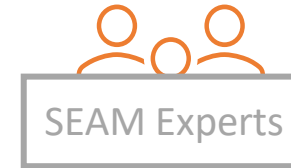
1. Engagement with Groups is the intervention with the managers and teams that they manage.
2. Coaching Leaders on Changes involves assistance to leaders as they work through the practical and political aspects of organizational change.
3. Teaching Managers about the Management tools is part instruction and part coaching about how to use the tools.







# Intervener-Researchers



The title, *intervener-researchers*, is an affirmation that SEAM consultants lead organizational interventions, and share their knowledge as researchers.

The most effective interventions are led by a team of intervener-researchers, some of whom are members of the organization, and some are external consultants.

The task of SEAM intervener-researchers is:

- a) to collect and analyze data and present the data to all of the people in the team or department involved in the intervention, to teach managers about the SEAM management tools and to help them use the tools, and to support managers during the SEAM process, and
- b) share their findings with others through presentations and publishing.

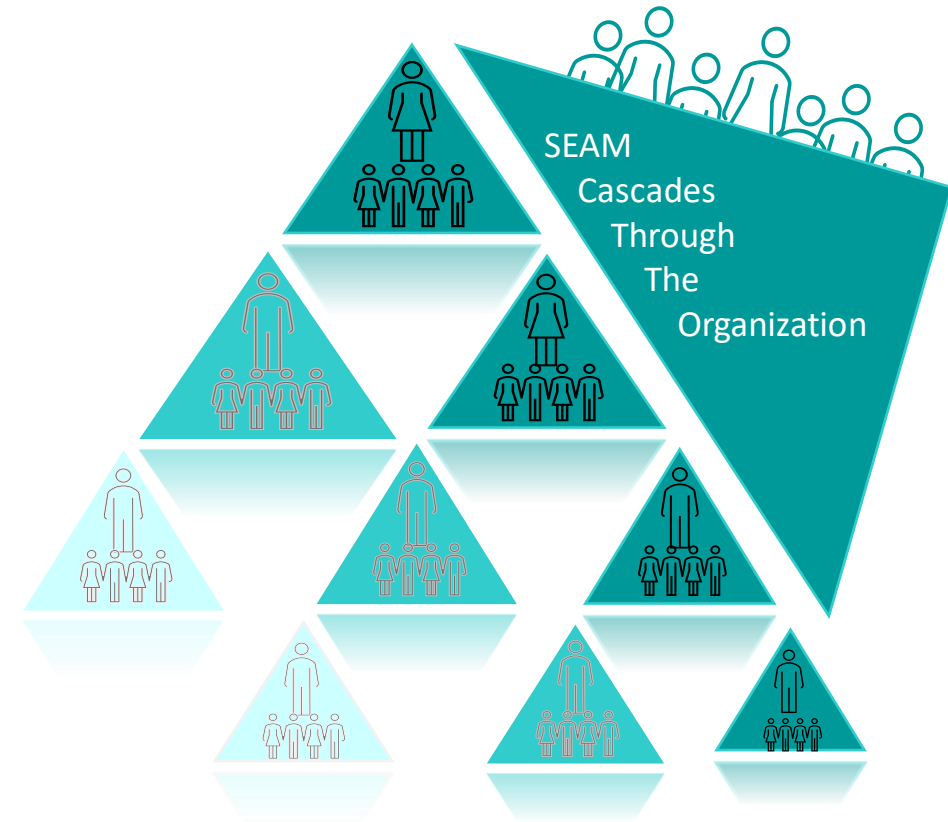
Internal intervener-researchers bring intimate knowledge of the organization, its history and culture. External intervener-researchers bring the viewpoint of people who have not been so immersed in the organizational culture so that actors can see things that have become invisible.



# SEAM cascades through the organization

Organizations are systems, and as one learns from systems theory, when a part of the system changes, all the other parts will be affected. When teams change the way they operate, this will have an effect on managers. If the team change is positive, as with practicing agile concepts, then managers will have to change to some extent, so their behaviors do not block the paradigm shift or specifically the mindset of agility. The same is true at the department or division level. If one department changes, others will be affected.

Ideally, SEAM will start with top managers and cascade its way throughout the organization. The result is whole system change, but not all at once. In SEAM, change is done department by department, over time.





# Data Collection and Analysis

## The Process

Each SEAM intervention within an organization starts with the collection, analysis and sharing of information. This process starts with **interviews**: all of the top managers are involved, and at least 30% of the employees in the department or team are involved. They are asked about “What is not working as well as it might?”. The interview information is analyzed, hidden costs are calculated, and at the end of the first month all of the people in the department or team are given in the results in the “**Mirror Effect**.”

At the end of the second month, the team or department is given the “**Expert Opinion**”, in which the observations of the intervener-researchers about what was not said (the elephants in the room), the root causes of the dysfunctions, and suggestions about baskets – clusters of issues that would, if resolved, would reduce hidden costs, are provided in a meeting. The team or department decides if the suggested baskets are acceptable, or if they need to be improved or augmented. Then the people in the team or department works to make the changes needed to improve work life and effectiveness. Each basket can be one project or a series of projects.

At the end of 60 days SEAM intervener-researchers provide assistance to project groups as needed and start more interventions in other departments.

**The first two months are**  
- Interviews  
- Mirror Effect Meeting  
- Expert Opinion Meeting

**Then the group works on projects to reduce hidden costs**

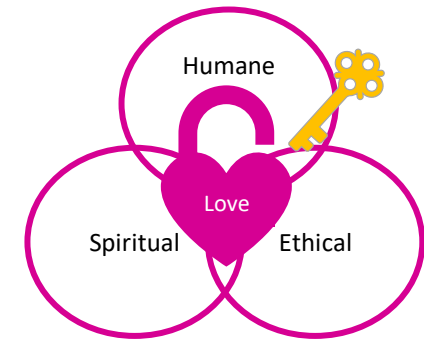
**Yearly reviews to see results for continuous improvement**



# The Key

The Key

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.

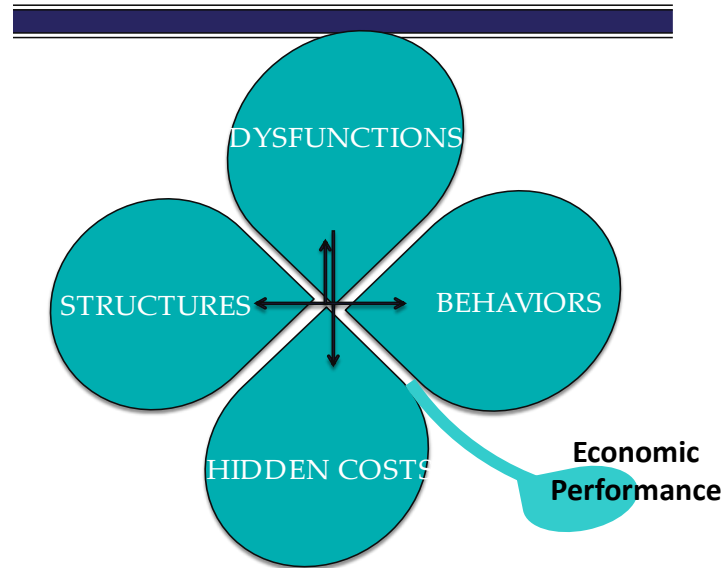




# Four Leaf Clover



## SEAM Clover Leaf



Every organization has structures (rules, org charts, offices, etc.) and behaviors (how managers and employees act). In most organizational change efforts, managers or consultants try to change these, and usually the result is resistance. Rarely do workers appreciate being forced to change by top managers or outside “experts”.

In SEAM, intervener-researchers identify dysfunctions and hidden costs and the root causes, then people from the team or department in the intervention volunteer to make the changes. People have far less resistance when they create their own changes.

The result of the organization’s structures, behaviors, dysfunctions and hidden costs is economic performance. To be sustainable, economic performance needs to include short term immediate results and long-term creation of potential.



# Actors in the Organization



“Actor” is a term for all members of an organizations regardless of rank. The term conveys inclusiveness and that organizational members play roles in their work also.

In SEAM, all actors are part of the intervention. Why?

- Respect. People deserve the ability to have the chance to be part of efforts that will change their lives.
- Knowledge. People doing the work may know things of which senior managers are not aware. Trying to make changes with incomplete knowledge can frustrate efforts to make changes.



# Dysfunctions & hidden costs



## Dysfunctions & hidden costs

Every organization has six kinds of functions that need to be working well:

1. working conditions
2. work organization
3. communication/cooperation/collaboration
4. time management
5. integrated training
6. the implementation of strategy

When these functions do not work well, they become dysfunctions. Every dysfunction has a cost, and usually these are not measured by standard accounting practices, which is why in SEAM they are labeled hidden costs. Hidden costs can be measured in terms of the value of resources, time, missed opportunities or potential.

Organizational dysfunctions act as a dripping faucet wasting organizational resources. Even if at first dysfunctions can be an irritant, people get used to the dysfunctions and do not see them anymore or even believe that the state of things is normal.

Indicators of Hidden Costs are:

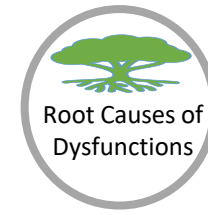
1. Absenteeism
2. Injuries and diseases
3. Staff turnover
4. Poor quality
5. Reduced productivity
6. Wasted time

**Hidden Costs** are not on the balance sheet

Assets	Liabilities
Accounts receivable	Accounts payable
Prepaid expenses	Accrued liabilities
Cash on hand	Taxes payable
Marketable securities	Short/long term debt
Total	Total
Equity	<b>Other Costs (Hidden)</b>
Stock	<b>Wasted Time</b>
Retained earnings	<b>Wasted Money</b>
Comprehensive income	<b>Overpaying</b>
	<b>Missed Productivity</b>
	<b>Not Developing Potential</b>
	<b>Risk</b>
Total	Total



# Root Causes of Dysfunctions



The goal of a SEAM intervention is to work on the root causes of an organization's dysfunctions, not just the symptoms. The root causes are uncovered in the Expert Opinion.

According to ISEOR research, 5 causes of Dysfunctions have been identified to date:

1. Lack of steering – not doing the primary job of managers, which is steering the organization, in other words, getting everyone aimed in the same direction
2. Lack of synchronization – all the of pieces of an organization do not work in harmony
3. Lack of negotiation – actors do not have implicit or explicit permission to speak up when their needs are not met
4. Lack of cleaning up – when changes are made, old rules and processes are left in place
5. Poor information systems – actors at all levels do not have necessary information to do their work properly

The goal of a SEAM intervention is to work on the root causes of an organization's dysfunctions, not just the symptoms.





# Human Potential

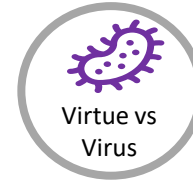


The cornerstone idea of SEAM is that the source of value added in organizations lies in developing human potential. The way to enrich an organization's profit is to invest in people and grow their potential. In turn, actors become more interested in contributing to the organization's well-being and are more engaged.

How can an organization pay for developing human potential? By reducing hidden costs and investing in the potential of its actors.

The failure to develop human potential can be seen in the Gallup's engagement survey results (first half of 2021). Lack of engagement may be the greatest source of an organization's hidden costs.

- Only 36% of employees say they are engaged at work
- 49% of employees say they are not engaged at work, meaning they are psychologically unattached to their work and company
- 15% of employees say they are disengaged, meaning they have miserable work experiences



# The TFW Virus

Henri Savall and his colleagues created a metaphor to describe the mental model of modern management, the Taylorism-Fayolism-Weberism (TFW) virus. This is the predominant model of management in the West. Some of the tenets of the TFW virus are:

1. The purpose of business is profit
2. People are disposable and may be the first to be cut in time of crisis
3. Leaders do the primary decision-makers
4. Leaders know more than the rest of the organizational actors, and so are the primary problem solvers
5. Hyper-specialization is most effective
6. Employees must be obedient

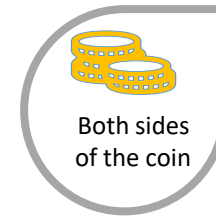
The TFW mental model is the source of many common dysfunctions. Disrespect of employees leads to poor morale and engagement. Specialization leads to organizational silos which compete rather than cooperate. The pursuit of profit at the expense of employees and the community weakens the society. The expectation of blind obedience leads to poor communications. The belief that leaders are superior leads to blame of employees for dysfunctions, which further hurts communications and morale.

SEAM works to undo the damage caused by the TFW virus. Recognizing TFW Virus and the destructive nature of this thinking is necessary to transform systems into ethical, spiritual and humane organizations.





# Both sides of the coin

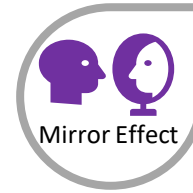


Socio-economic theory is very clear. A coin always has two sides. Like a coin, organizations have two aspects: social and economic.

- To survive, organizations make a profit or at least make sufficient income to avoid bankruptcy. That is the economic aspect.
- The social aspect involves attending to the needs of all actors in the organization, by treating them with dignity and respect. When the social aspect is not managed well, dysfunctions arise and hurt or ruin the organization.



# Mirror Effect



The SEAM intervention begins with interviewing some or all the actors in a team or department. The Mirror Effect is the meeting with intervener-researchers and all actors in that team or department to “mirror” back to them the dysfunctions that the actors disclosed in the interviews, and to reveal the hidden costs of these dysfunctions.

After the Mirror Effect, there is an intentional waiting period of around 30 days in which no action is taken. The purpose is for the groups to notice the dysfunctions reflect on what they learned.

Henri Savall coined the term *Contradictory Intersubjectivity* to describe the situation in which actors have different understanding about what is not working well in the organization. Actor’s viewpoints are subjective and shaped by their internal lens; viewpoints may contradict each other. The goal is not to find out which actors know the truth, but to acknowledge the differing viewpoints of all actors.



# Expert Opinion



The Expert Opinion is the meeting with intervener-researchers and all actors in the team or department in the intervention that happens a month after the Mirror Effect. The goal is for the intervener-researchers to summarize:

1. The key points of the interviews
2. To give their observations of what was not said (in French, the “non dit”)
3. To identify the root causes of the dysfunctions
4. To suggest clusters of projects, called baskets in SEAM, that will reduce the dysfunctions

The Non Dit is a unique part of the Expert Opinion. The intervener-researcher’s observations of the unspoken assumptions, or the “elephants in the room”, can be surprising to the actors.

ISEOR research led to the conclusion that there are 5 root causes for dysfunctions. Dysfunctions are symptoms of root causes, and in SEAM the goal is to address root causes, not the symptoms.

The actors involved decide if the suggestions are what is needed, or if they are to be modified, and then the actors choose which projects they will work on.

# Management tools

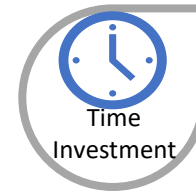


The SEAM management tools help managers better use their time and resources.

1. The **time management tool** helps managers see where they spend their time, and especially to see how much time is wasted due to dysfunctions, and of enough time is spent on steering.
2. The **internal-external strategic action plan** is created by top leaders and addresses new goals for the organization (the external part of the plan), and the work to reduce dysfunctions so time and resources are freed to achieve the new development (which is the internal part of the plan).
3. The **priority action plan** is each managers' six-month plan for how time will be allotted to:
  - a) New developments
  - a) Reducing dysfunctions
  - c) Ongoing management (dealing with emergencies)
  - d) Time off and trainingThe hours needed to be successful are estimated for each month and if the estimate shows that there is not enough time then the manager negotiates with her or his manager about what tasks will be delayed or omitted or delegated. The priority action plan is designed to reduce magical thinking.
4. The **competency grid** is created by the actors on a team to identify all the skills and knowledge needed for the team to be successful, and the extent to which each team member has these skills and knowledge. The grid is used to help shape needs for training, opportunities for cross training, needs for hiring new actors and needs for out-sourcing.
5. The **delegation tool** identifies expectations about when actors to whom authority to make decisions:
  - a) To allow the manager to decide after talking with the actor, or
  - b) the actor can decide after consulting with the manager, or
  - c) the actor can decide and later inform the manager, or
  - d) the actor can decide and does not have to inform the manager.
6. The **periodically negotiated activity contract** is a tool, used every six months, to identify how financial gains from the SEAM intervention will be shared with the actors.



# Investment of Time



## Actors

Investing in people means being respectful of their time. The time for the intervention participants is minimal. They are interviewed, attend the mirror effect meeting and subsequently, the expert opinion meeting. It is up to them when and how they spend their time to remove dysfunctions by working on the baskets or projects.

## Managers

Managers of the groups spend a little more time with the consultants to help prepare the group and to learn the management tools that help them to become better managers.

## Consultants

The time investment by SEAM consultants is high because SEAM is a data-driven engagement. The SEAM consultants conduct the interviews, analyze and prepare the data of the Mirror Effect Meeting, and compile the opinion and improvements for the Expert Opinion Meeting.

Time Investment for Employees		
Month 1	Interview and/or focus group Mirror Effect Meeting	2.5 hours
Month 2	Expert Opinion Meeting	1.5 hours
Month 3 to 6	Projects (If volunteered)	4 Hours
	Assessment Meeting	2 hours

Time Investment for Managers		
Month 1	Interview Mirror Effect Meeting	3 to 5 hours
Month 2	Expert Opinion Meeting Tool Workshops Meeting Tool Practice	3 Hours
Month 3 to 12	Projects (if involved with team) SEAM Management tools Coaching	1 – 4 hours

Time Investment for Consultants		
Month 1	Interview Mirror Effect Meeting	10 - 30 hours per intervener-researcher
Month 2	Expert Opinion Meeting Tool Workshops Meeting Tool Practice	15 – 30 hours per intervener-researcher
Month 3 to 6	Projects Teaching about SEAM management tools Coaching	2-6 hours
Months 7- 12	Projects Coaching as needed	As needed



# Improvements to Steering



For an organization to be effective, all the actors need to be working to achieve the same strategic goals. The primary job of managers is to steer the people who report to them to make sure their efforts are aligned with the organization's strategic goals. No one else can steer the organization, and too often managers do not spend enough time steering, which leads to many dysfunctions.

Poor steering can result from poor communications from senior leadership about strategic goals, and/or from managers not making the time to work on steering.