Contemporary managers have been well schooled in the importance of using participation—that is, having managers share a significant degree of decision-making power with their employees. The use of participative leadership and decision making have been preached by business schools since the 1960s. For instance, management guru Peter Drucker considered participation in goal-setting to be a necessary part of his Management By Objectives doctrine. Some academics have even proposed that participative management is an ethical imperative.

The last 40 years has seen the decline (and near extinction) of the autocrat, to be replaced by the participative manager. So you might find it surprising that when it comes to setting goals, we discover an interesting finding: It may not matter if employee goals are assigned by the boss or participatively set. The evidence shows little consistent superiority for goals that are set participatively between employees and their bosses over those unilaterally assigned by bosses.

The logic behind participation is well known. As jobs have become more complex, managers rarely know everything their
employees do. Thus, participation allows those who know the most to contribute. Participation also increases commitment to decisions. People are less likely to undermine a decision at the time of its implementation if they shared in making that decision. But the evidence doesn't support the idea that participatively set goals are superior to assigned ones. In some cases, participatively set goals achieve superior performance; in other cases, individuals perform best when assigned goals by their boss. The only advantage that participation may provide is that it tends to increase acceptance of a goal. People are more likely to accept even a difficult goal if it is participatively set rather than arbitrarily assigned by their boss. Thus, although participative goals may have no superiority over assigned goals when acceptance is taken as a given, participation does increase the probability that more difficult goals will be agreed to and acted upon.

You may be wondering: Why wouldn't people always do better under participatively set goals? That's a good question. Let me attempt an answer. The explanation may lie in the conditions that are required for participation to be effective. For participation to work, there must be adequate time to participate, the issues in which employees get involved must be relevant to their interests, employees must have the ability (intelligence, technical knowledge, communication skills) to

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participate, and the organization's culture must support employee involvement. These conditions are not always met in many work places. In addition, while behavioral scientists often ignore this reality, the truth is that many people don't want the responsibilities that come with participation. They prefer to be told what to do and let their boss do the worrying. These conditions and realities may explain why the use of employee participation is no sure means for improving employee performance.