
FAIR PROCESS

Fair process is a concept developed by W. Chan Kim and Renée Mauborgne that builds execution into strategy by creating people's buy-in up front. When fair process is exercised in the strategy formulation phase, people trust that a level playing field exists, inspiring voluntary cooperation during the execution phase.

There are three mutually reinforcing elements that define fair process: *engagement*, *explanation*, and *clarity of expectation*. Whether people are senior executives or shop employees, they all look to these elements. Kim and Mauborgne call them the *three E principles of fair process*.

Engagement	Explanation	Expectation Clarity
<p>Engagement means involving individuals in the strategic decisions that affect them by soliciting their input and allowing them to refute the merits of one another's ideas and assumptions. Engagement communicates management's respect for individuals and their point of view. The result is better strategic decisions by management and genuine commitment from everyone involved in execution.</p>	<p>Explanation means that everyone involved and affected should understand why final strategic decisions are made. An explanation of rationale engenders confidence among employees that managers have considered their opinions and have made decisions impartially in the overall interest of the company, even if their own ideas have been rejected. It also serves as a powerful feedback loop to enhance learning.</p>	<p>Expectation clarity requires that after a strategy is set, managers clearly state the new rules of the game. Although the expectations may be demanding, employees know up front the standards by which their work will be judged and the consequences of failure. When people clearly understand expectations, political jockeying and favoritism are minimized, and people can focus on executing the strategy rapidly.</p>

© Kim & Mauborgne. All rights reserved.

It should be noted that any subset of the three is insufficient. The three criteria *collectively* lead to judgments of fair process.