

I. OGÓLNE PROBLEMY ORGANIZACJI
I ZARZĄDZANIA

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EVOLUTION OF THE APPROACHES TO MANAGEMENT
IN FRENCH COMPANIES AND CORPORATIONS

A. Introduction

The issues of the yearly research into the competitiveness of twenty-two industrialized countries carried out by the World Economic Forum in Geneva in 1986 show that the race for competition France is almost last, just ahead of Ireland, i.e. in sixteenth place¹.

Therefore, French companies and corporations today find themselves in a tight spot. The fast, complex evolution of their local, national and international environments makes up a series of hard challenges in view of their methods of management, all the more so since France is not one of the strong nations in terms of development.

Consequently what development strategies can French companies and corporations adopt?

Henceforth, it would seem quite pointless trying to make use of the tricks of the trade by setting about one single given variable. The company and corporation managers are often fully aware of this, which generates quite understandable confusion among the managerial staff.

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¹ European Management Forum: Rapport sur la compétitivité industrielle internationale, Economica, Paris 1986.

Hence, new approaches to management are implemented, sought after or tailor-made in order to deal with new environmental demands. Besides, all corporations seem to be implicated in this imperious quest for new tactics, whether they are industrial or commercial concerns, non-commercial organizations, civil administrations, and so forth... They all feel the need to modernize their internal structures or external policies, even though it may make itself felt in different ways, in view of their different vocations. That is the reason why fundamental trends emerge in the methods of company and corporation management, with however occasional erratic stammering or desultory speech.

B. New features of management conceptions and applications

Although it is commonplace to assert that the world is shifting and everything is getting different, one must admit that companies and corporations are at grips with the constant evolution in trends which forces them to adapt.

1. Environmental evolution

Environmental trends in corporations are obviously interlinked. To be clear, we have put them five main headings:

- the so-called psychological trends, pertaining to man's hopes (e.g. the quality of life) originating more particularly from the increase in efficiency, in levels of education and standard of living, and often giving rise to individualistic ideologies²;

- cultural trends linked to the development of knowledge, exchanges and media, and resulting in an alternation of traditional standards and mentalities (decline in the notion of "duty" or the

² H. M e n d r a s, M. F o r s e, Le changement social, Armand Colin Collection, 1983.

motivation of economic safety, as opposed to a rise in the search for pleasure and motivation of individual expression³;

- sociological trends, resulting in an evolution of the norms and ways of life, a splitting-up of traditional fields of activity (the multinational phenomenon, exchanges between individuals, social groups and states which are more and more developed and tangled);

- technological trends with the advent of computing, the techniques of robotization, office work and teletransmission, as well as Computer-Assisted Design and Manufacture⁴: the present times are, therefore, referred to by some as "times of great technological turbulence"⁵ in quantity as well as in quality, to such an extent that a number of companies already reflect upon what the "factory of the future" will be⁶;

- economic trends born of takeovers and amalgamations and the dramatic increase in international imbalance⁷ which, moreover constitute signs of a general crisis, because they cast doubt upon the very foundations of post-war world growth and result in various disturbances in the companies' environment.

The companies' environment (or rather the environments both internal and external) are, therefore, undergoing a number of alterations. Moreover, as the company is acknowledged as an "open system", change from the outside can but spread to the inside.

³ A. de Vulpian, Changement socio-culturel et démocratie, "Futuribles", novembre 1984.

⁴ G. Caire, Filières électriques et recherche sociale - problème de méthode, "Recherche Economique et Sociale. La Documentation Française" 1983.

⁵ J. Morin, L'excellence technologique, éd. J. Picollec, Publi-Union, Paris 1985.

⁶ J. Le Queument, L'usine du futur proche; stratégies internationales d'automatisation, Hermes/ADI, 1983.

⁷ Le Numéro Spécial de la Revue d'Economie Industrielle" (1980, no 14) et notamment l'article de J. Mistrall, Division Internationale du travail: Quelle crise?

The company's development process, being dynamical by nature, has, therefore, inevitably evolved over the years and is today going through profound mutations. These alternations are felt within the management itself due to the new challenges with which the companies and corporations are faced, and to the increasing complexity of the phenomena surrounding or affecting them.

2. The new challenges

The French companies and corporations are obviously not the only ones to be faced with those challenges; however, the latter seem to have been taken into consideration sooner in some countries such as the United States or Japan, who nowadays are taken by French observers as either models, or counter-models.

Besides, we are sometimes sharply and directly challenged by foreign leaders such as in President Konosuke Matsushita's "confidential" statement issued in many French media for over two years⁸: "We shall win and the West shall lose [...] your corporations are Taylorian but worse still, your heads are too...". What is implied by these strong messages? Doubtless, the existence of several structural, strategic and social challenges for corporations.

Today, French companies just like the American ones have to take up these new challenges which may be gathered under three headings⁹:

- a structural challenge in order to escape from technocratic bureaucracy;
- a challenge to improve the powers of decision, to be able to anticipate and adapt;
- a strategical challenge by improving integration of staff management.

⁸ J. R o s n a y, "Taylor, c'est fini...", "L'Expansion", 7-20 décembre 1984, p. 271.

⁹ Ph. H e r m e l, R. A. T h i e t a r t, "Evolutions et défis du management stratégique", document de l'Institut Entreprise et Personnel, décembre 1986.

Thus, the point is to:

- know how to take into consideration the existing or future structures in order to determine the strategy;
- be able to develop and valorize internal resources, especially by mobilizing individuals to obtain improved contribution to the collective performance;
- identify and implement the specific role played in this field by the managerial staff.

These new challenges then lead the companies and corporations to question a number of traditional ideas and practices in management and strategy.

3. Questioning practices and ideas in management: fashion or necessity?

Fashion has an influence upon management: faced with the various problems they have to tackle, some companies or corporations or even some consultants sometimes have a tendency - called the pendulum reaction - to reject all previous practices and go to the other extreme.

"Tomorrow's truth is not necessarily the opposite of yesterday's [...]. One should be able not to throw the baby away with the bath water"¹⁰. As a matter of fact the principles of management profit by enriching themselves rather than excluding previous benefits. As it faces new uncertainties and demands arising from the future, market, customers, general environment, organization and internal culture, the management can, thus, benefit from, and improve the traditional techniques to face tomorrow's world.

These traditional approaches somewhat rigid or too mechanistic need, therefore, both some bending and consideration of soft variables such as the social organization of the company of public services.

¹⁰ H. S e r i e y x, Management: in, management out, "L'Expansion", 18 juillet 1986.

Nevertheless, denying a strict and formal management would lead to blurred, hazardous practices. Therefore, from now on, formalism and heuristics¹¹ must be reconciled to steer company strategy. For that reason this steering is constantly performed by seeking the dosage the best adapted to the circumstances. It also needs a new approach to the directorship of human resources.

4. The role of human resources

In the traditional definition of general company policy, social policy generally plays a very limited role, to such an extent, that it sometimes implies the risk of plain incompatibility between the economic and social goals of the corporation.

Today on the other hand, human potential is considered more and more often as a source of competitive advantages of the utmost importance for the corporation. Thus, the target of the new social strategies no longer lies in "either social peace, or even people's satisfaction, but in man's role in the company as well as in its efficiency"¹².

Consequently company management can no longer be tackled without taking human resources into consideration. This is one of the reasons why new approaches have appeared in corporations with the aim of explaining the meaning of individualcommunity convergence and its modes of application, e.g. the "Company Project", "Total Quality", or search for excellency.

5. The principles of excellency

The evolution of the approaches to management is notably featured by a return to simple principles - even simplistic accor-

¹¹ M. J. A v e n i e r, Le pilotage stratégique de l'entreprise. Tirer parti de l'imprévu, éd. C.N.R.S., Centre Régional de Publications de Marseille, 1985, p. 246.

¹² R. B o s q u e t, Place des hommes dans l'efficacité de l'entreprise - document de synthèse à l'intention des Dirigeants, Institut Entreprise et Personnel, septembre 1985.

ding to some - that become the basic values of the corporation.

It results in, say, the hunt for the "ghost company", living parallel to the "official" company in order to regulate all its dysfunctions. This battle against waste (of time, products, energy, material, money and so on) is synthetized into five targets, called the "five noes" (no breakdowns, no delays, no faults, no stock, no paper) sometimes completed by a sixth one: "no under-estimation".

Obviously everybody knows that although these noes are out of reach for our corporations at least in the short or middle run, they are the target to be reached through a constant dynamism in the search for excellency.

The notion of excellency has been widely put forward by American consultants¹³ and results in a few key-notions such as "cherish the customer", "mobilize human resources", "keep on innovating", and so on. There was an outburst of very critical replies to these simplistic ideas which bear a close resemblance to "Yaka faucon"¹⁴. However, beyond this obviousness and to avoid the pendulum reaction mentioned hereabove, these principles should doubtless be regarded as flash reminders used to gather together scattered elements of management.

Then, it becomes necessary to locate these "miraculous recipes" within the strict framework of the evolution of management practices, such as a strategic management.

6. Strategic management

This train of thought considers firstly that no one "manager" (taken in the sense of a person occupying a post of "responsibility" in the organization chart) is fully responsible for management, and conversely that none is entirely without responsibility in the management process. Moreover, although the "inten-

¹³ I. P e t e r s, R. W a t e r m a n, le prix de l'excellence. Les secrets des meilleures entreprises, Interéditions, Paris 1983.

¹⁴ C. Y. K e r v e r n, L'évangile selon Saint-Mac, "Annales des Mines. Gérer et comprendre" 1986, no 2.

tional plan" proves necessary, it is certainly not sufficient and must be complemented by an actual implementation.

The strategic management process aims at facilitating the management of a corporation and utilizes strategy to guide its actions. The process is an actual operating system which goes further than the strategic planning procedure by adding the necessary development of internal aptitudes and capabilities which will give the company both the flexibility and "invulnerability" required¹⁵. Thus strategic management endeavours to avoid the unfortunate consequences of the discrepancies between the so called strategic decisions (i.e. in the traditional sense of the word: intended for the outside) and organizational decisions (intended for the inside).

Therefore, the strategic management aims at being inclusive and tries to take into consideration the complexity of management problems. In fact, "strategic management guarantees coherence between all these strategies actually including all "hard" and "soft" variables, both internal and external"¹⁶.

It may, thus, be noted that the corporations new approaches strive to meet several requirements:

- the needs of co-ordination between the company's main functions;
- the importance of implementing the strategy adopted, the same as for analysis and formulation;
- the indispensable consideration of behavioural variables;
- the necessary connection between internal and external elements;
- the consideration of the dangers involved in a simplistic management;
- finally, the need to steer change rather than submit to it.

¹⁵ A. C. M a r t i n e t, Le management stratégique: organisation et politique, Mac Graw Hill, New York 1984.

¹⁶ M. A. S a i a s, Vers une théorie du management stratégique, "Working paper. Institut d'Administration des Entreprises d'Aix-en-Provence", no 213.

7. Strategic steering of change in companies and corporations

The new approach by corporations' management, characterized as was seen by attempts to reach a more comprehensive development, imply cleverly-steered practices of change¹⁷. Indeed, considering the various dimensions of management implies general, interactive procedures as regards the stages pertaining to analysis, preparation, implementation, verification, activation, actualization and so on.

Consequently for a given corporation, change may be compared to a deliberate movement achieved by:

- the choice of route,
- the path actually taken,
- checking the course.

The choice of route refers to the preliminary strategic analysis and more particularly results in a strategic plan, viz.: choice of targets, definition of intermediate stages and choice of means. Within the framework of an approach to strategic management, this stage emphasizes as much the choice of activities, market implantations, types of products and technologies developed, as the identity and vocation of the company, the mobilization of its internal resources, its operational methods and so forth.

The path actually taken then refers to the strategic steering of these choices, to the features of the change process, to the fields of daily analysis and action, etc... The Total Quality and Company Project procedures introduced hereafter are the possible vectors of this progress.

Finally the dynamic, "ex post" verification makes it possible to analyse the course followed, to understand and measure the deviation from the initial route and, thus, to assess the relevance and deficiencies of the steering. In such an approach, the management of human resources has - as was seen - an essential

¹⁷ A. Bartoli, Ph. Hermel, *Piloter l'entreprise en mutation. Une approche stratégique du changement*, éd. d'Organisation, Paris 1986, p. 259.

part to play as, though the strategic steering of change is indispensable in view of environmental disturbances, it nonetheless strongly depends upon internal structures and behaviour.

It is, therefore, of paramount importance to steer the evolution process by means of the analysis and action multiple interrelated variables, whether they be internal or external. This needs the compliance with two fundamental principles of the strategic steering of change: contingency and dosage.

The contingency principle refers to the consideration of each corporation's specific characteristics as well as to the refusal of ready-made trade dodges that could be adapted to every circumstance. On the other hand, one has to adapt the contents of the actions to be implemented to contextual needs and features, even though the general process itself may remain comparatively steady.

As for the principle of dosage, it tries to meet the need to manage certain obvious contradictions in a complex, unstable environment.

Dosage consists in:

- either arbitrating (by striking a happy medium): individual/collectivity, formal/informal, etc.;
- or (flexibly) alternating: participation/directivity, analysis/action, etc.;
- or simultaneously leading complementary elements: procedure/contents, tactics/strategy, etc.

Moreover these steering factors prove essential for the Company Project and Total Quality procedures.

C. Total Quality and Company Project: two new Company and Corporation Procedures

The companies and corporations seem to be more and more aware of all these stakes and more or less begin to evolve towards such management practices. Moreover public services are, nonetheless, involved in, nor concerned by, these new challenges.

This is precisely the reason why several government departments and offices have also, for the last few months or years, been pondering upon, and finding practical solutions to, a renewal of their operational methods and positioning.

These renewals involve both their relation to the external environment - where one can perceive new threats and opportunities (development of certain forms of competition, political and Society-related obligations and incentives, etc.) - and their internal management, which up until now has often been little exploited in the search for performance for fear of losing a part of their vocation as a "Public Service". Today, nonetheless, complementarity between the concepts of "socio-economic efficiency" and "public service" is becoming too obvious not to be taken into account. Thus, in spite of an apparent semantic paradox, one can witness the springing up of Company Projects in numerous public offices.

Certain new approaches to performance can also be noted through the creation of "Quality Circles" and other even more comprehensive quality processes. Therefore, it would seem interesting as an example to present hereafter two types of procedure that seem to concern all forms of corporations.

1. Total Quality procedures

In the early 80's, Western companies and corporations adopted procedures to improve competitiveness by means of a search for Quality. The notion of Total Quality has, thus, gradually appeared in French management, on American and Japanese lines¹⁸, with notions of Total Quality Control (TQC) or of Company Wide Quality Control (CWQC).

Nowadays one cannot help noticing (more particularly in French companies) a definite craze for these Total Quality Approaches, sometimes unrestrainedly considered as the universal

¹⁸ K. I s h i k a w a, Le TQC ou la qualité à la japonaise, Afnor Gestion, 1981.

panacea to all problems. But, prior to these comprehensive strategic procedures, a somewhat more restricted Quality practice, viz. the Quality Circles, has often been evolved.

This method of Quality Management has often led to positive results¹⁹. More particularly the Quality Circles have been able to provide real solutions to problem encountered during product manufacture. For this reason, they may well be efficient devices for short-term economic performance, and are acknowledged as such by the companies that have tasted them. Moreover, by putting forward the notion of quality as everyone's concern, they also contribute to the improvement in relations and communication within the company.

However, notwithstanding these assets, a number of boundaries and ill-effects²⁰ may appear in some companies running quality circles.

They are, amongst others:

- the disconnection of quality circles with regard to the contents of the operators' daily tasks, which have otherwise undergone no basic alternation;
- the need for the supervisory staff to play a novel part, sometimes hardly compatible with the traditional operating system in force;
- the impossibility to deal with, or solve, design problems beyond the Quality Circles (badly conceived tools, parts difficult to assemble, etc.);
- deficient preventive measures as a Quality Circle mainly proves to be a consultative body;
- non-existent overall analysis prior to the setting up of quality circles, more particularly in terms of appropriatedness, which may lead to specific errors of recognition;

¹⁹ B. M o n t e l l, P. R y o m, Cercles de qualité et de progrès pour une nouvelle compétitivité, ed. d'Organisation, Paris 1983.

²⁰ J-P. A r n o u x, Ph. H e r m e l, Cercles de qualité et fonctionnement de l'entreprise. Apports, limites et effets pervers, "Direction et Gestion", novembre/décembre 1985.

- a danger of organizational schizophrenia when the remainder of the operating system rests upon traditional principles of scientific organization of labour;
- a discrimination phenomenon between operators and the advent of an elitist feeling that is likely to create new tensions and difficulties.

Therefore, although the Quality Circles may prove a fault-reducing factor, they cannot be sufficient as such in the middle run. To succeed, an essential condition would be to integrate them in a more comprehensive procedure of actual strategic operation²¹ at all levels on all the company's main constituents (structures, behaviour, strategies).

A strategy of quality in the sense of Total Quality (TQ) can then constitute this overall approach enabling one to override the deficiencies found in those isolated systems known as quality circles, so that the latter may continue contributing efficiently to the search for excellency.

In order to be really effective, this TQ strategy must be based not only upon operating requirements often called "principles", but also upon management systems which turn them into action. Then, the latter cannot be contemplated as a mere transposition of Nipponese tricks of the trade, but as specific to our organizations and cultures through change-including procedure. These principles can be gathered under four headings:

- extending the notion of Quality to all fields (largely outstripping the restrictive framework of a manufactured product);
- extrapolating the relation "customer to supplier" to all functional or operational relationships within the corporation;
- regarding the wage-earner as both suppliers to, and customers of, the corporation;
- implementing follow-up and analysis of the activities at all levels.

Turning the company into a lively centre meant to create energy and optimize its utilization, thus, appears to be ob-

²¹ Ph. H e r m e l, L'approche socio-économique de l'amise en oeuvre stratégique de l'entreprise, "Revue Française de Gestion" 1985, no 52.

tained only on condition that one invests in a genuine strategic management of human resources²². Moreover this conclusion seems also to be applicable to the Company project procedure.

2. Company Project

The Company Project theme has spread at a brisk pace throughout French corporations and management circles. In the updated vocabulary of company management, the Company Project may be defined as an overall purpose within any one company (or corporation), which aims at mobilizing human resources in one common, given and unanimously accepted direction.

The Company Project endeavours to create a common denominator between all members of a corporation; this denominator constitutes as it were the leitmotiv which must be clearly defined so as to reach the company's strategic goals more accurately and with greater speed.

Indeed the need to develop the companies' overall efficiency is more and more strongly felt due to the new requirements resulting from competitiveness and adaptation to environment. This leads the companies to resort to their main internal mobilization factor, viz. human resources. Having recourse to the Company Project may then meet the need to either rebalance or counterbalance the growing practice of delegation/decentralization at unit or departmental level of any one company, which is the general consequence of the need to both increase internal flexibility and come up to the expectations often very high of these entities as far as autonomy and differentiation are concerned. Thus, the Company Project may constitute the "compensation", or federative element making it possible to avoid the risk of dispersal and overall incoherency.

²² Ph. Hermel, *Stratégie, changement et ressources humaines: quelles relations?*, "Working Paper Institut d'Administration des Entreprises d'Aix-en-Provence" 1986, no 328.

However, this Project fashion raises the problem of the means of obtaining mobilization.

In the face of these problems, an immediate reflex could be to regard that formulating, strengthening and even creating (if it is possible!) a company culture, would give an opportunity to play up individual values and to make behaviours converge. Obviously, this approach would be simplistic: although discoursing on the companies' values in the Project proves necessary, it is far from being sufficient. More particularly, those companies that have merely attempted to enlighten their vocation and goals by means of clarification of their leaders' values issued in an internal "charter", seem to have slipped up. In fact, though the initiative and basic contents of the Project are to be answerable to the General Management in order to be both credible and legitimate as a strategic vector, this Project is by no means supposed to be one-sided.

Thus, it becomes necessary to pay attention to the various perceptions, expectations and existing values in the company as a whole, so as to incorporate them at the highest level, and check their degree of compatibility with the strategic goals. Only provided this condition is fulfilled can the project be efficient, having been accepted by the company in general. Of course, the concept of participation in drawing up the Project requires striking a happy medium. More particularly, a balance has to be found between:

- the rational and emotional,
- the collective and individual,
- the participation of each one and the directivity of the helmsman,
- simplicity and ambition,
- proximity and universality,
- tactics and strategics...

In other words, the Company Project will induce mobilization only if it is both meaningful for everyone and strategically orientated for the company. To do so, the project's proposed goals, means and counterparts must be coherent and plain. Therefore, it is to be desired that the whole Company Project be sub-

divided into Unit Projects. Actually, the Company Project itself - from its conception to its permanent implementation - can but be a real overall process of change if it is to be efficient. Its very drawing up gives the opportunity of creating a dynamism, a movement that mobilizes the whole company. Then, through the actions and evolutions it induces, the Company Project is a truly privileged vector of the company's process and change.

Therefore, the values dealt with, and discussed in, this Project are not to be restrictive elements to which one should necessarily subscribe, and that would run the risk, in the long run, of "breaking mobilization down", but have to be understood as "common principles of action though to engender a better understanding and co-operation"²³

D. Conclusion

The Company Project and Total Quality, thus, appear to be able to constitute genuine vectors for an overall change in all forms of companies and corporations.

Provided that a number of precautions are taken together with the strict methodology absolutely indispensable to their preparation, implementation and activation, these approaches can, indeed, help steer the necessary evolution of French corporations. Besides they bear witness to a need to enrich the approaches to management and strategy in general, in order to meet both the present operating requirements and our environmental complexities.

Some strategic managerial practices together with the current methodological developments would appear in such a way to provide embryonic replies that enable companies and corporations to take up the countless challenges with which they are faced.

²³ M. G r o z i e r, Nouveaux modes d'organisation, Institut de l'Entreprise, 1985.

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EWOLUCJA PODEJŚCIA DO ZARZĄDZANIA
WE FRANCUSKICH PRZEDSIĘBIORSTWACH

Przedsiębiorstwa francuskie, bez względu na charakter ich działalności, odczuwają potrzebę modernizacji zarówno wewnętrznych struktur, jak i zewnętrznej strategii, spowodowaną wymaganiami, jakie stwarzają ewolucyjne zmiany w otoczeniu.

Nowymi cechami zarządzania, będącymi rezultatem tych zmian, według autora, są: odejście od technokratycznej biurokracji; sformułowanie strategii działania przedsiębiorstwa; rozwój i udoskonalenie indywidualnych możliwości decyzyjnych przy przewidywaniu i adaptacji zmian; integracja kierownicza, dokonywana przez identyfikację i wykorzystanie ról odgrywanych przez poszczególnych członków kadry; nowy stosunek do czynnika ludzkiego jako podstawowego elementu przedsiębiorstwa; zarządzanie strategiczne przez rozwój; kierowanie zmianami i inne. Autor przedstawia dwie drogi postępowania unowocześniającego zarządzanie, określane jako: Total Quality Procedures, w którym rozszerza i odnosi pojęcie jakości na wszystkie obszary działalności przedsiębiorstwa oraz Company Project - mający na celu wewnętrzną mobilizację zasobów ludzkich, w kierunku realizacji wspólnie wytyczonych i zaakceptowanych działań.