

■ L E S A M I S D E ■
l'École de Paris

<http://www.ecole.org>

Seminar Business Life

Organised thanks to the patronage of the following companies :

Air Liquide¹
Algoé²
ANRT
Areva²
Arcelor
Cabinet Regimbeau¹
Caisse des Dépôts et Consignations
CEA
Chaire "management de l'innovation"
de l'École polytechnique
Chambre de Commerce
et d'Industrie de Paris
CNRS
Conseil Supérieur de l'Ordre
des Experts Comptables
Danone
Deloitte & Touche
École des mines de Paris
EDF
Entreprise & Personnel
Fondation Charles Léopold Mayer
pour le Progrès de l'Homme
France Télécom
HRA Pharma
IBM
IDRH
Institut de l'Entreprise
Lafarge
La Poste
Ministère de l'Industrie,
direction générale des Entreprises
PSA Peugeot Citroën
Reims Management School
Renault
Royal Canin
Saint-Gobain
Schneider Electric Industrie
SNCF¹
Thales
Total
Unilog
Ylios

¹ For the "Tchenical resources
and innovation" seminar
² For the "Business life" seminar

(liste at december 1, 2005)

WHAT IS THE ROLE OF INTELLECTUALS ?

by

Michel CROZIER
Fellow, the *Institut*
(equiv. the Royal Society)

Claude RIVELINE
Professor, École des mines de Paris

June 3rd, 2005
Report by Élisabeth Révah
Translation by Rachel Marlin

Overview

How can one influence the course of events when one is an intellectual ? Michel Crozier chose a listening approach because he felt that this was the only way of dealing with the gridlocks which paralyse organisations. In a discussion with Claude Riveline, another connoisseur of the typical French resistance to change, Crozier, the sociologist comments on his career, his various meetings with organisations, and assesses his modus operandi. He feels that he was most useful in the business world, especially in helping to resolve two important crises at the SNCF (French National Railways) and Air France. His ideas also appealed to a number of politicians and continue to be used in research and in teaching. It remains to be seen whether society is finally ready to put them into practice.

*The 'Association des Amis de l'École de Paris du management' organises discussions and distributes the minutes ;
these are the sole property of their authors.*

The Association can also distribute the comments arising from these documents.

© École de Paris du management - 94 bd du Montparnasse - 75014 Paris
tel : 01 42 79 40 80 - fax : 01 43 21 56 84 - email : ecopar@paris.ensmp.fr - <http://www.ecole.org>

TALK : Claude RIVELINE

Theodore Zeldin, an English francophile and author of *Histoire des passions françaises*, said recently “France’s originality lies in the fact that it is not simply a territory but an idea. This idea can be summed up in the words of Montaigne : “Living is my profession and my art”. This French idea of the art of living is dedicated to human perfection. The characteristic of French thinking is the unique respect shown for intelligence and culture. France is the daughter of Enlightenment. It is the men and women of letters and thinkers who brought this nation to the baptismal font”.

Intellectuals and getting one’s hands dirty

These words strike a particular chord for Michel Crozier and myself, having devoted our lives to ideas. We are part of the group of intellectuals who get their hands dirty and mix with people who are directly involved, and judge the effects of these encounters by the way in which subsequent events unfold.

An alternative group of intellectuals are the ‘publicists’, the people that make us think and ask questions, people whose works we read and whose ideas are the basis for discussion. Four figures in French culture unquestionably represent this group. They are Jean-Paul Sartre, Raymond Aron, Michel Foucault and Pierre Bourdieu. But what function did they serve ? I have extensively studied their works, and their ideas have greatly influenced me, but what remains of their influence on ordinary life ? I can find nothing, whereas Michel Crozier has influenced political and public opinion to such an extent that the titles of his books have become part of our everyday language. ‘One does not change society by decree !’ However, Crozier’s participation in the business world, especially at the SNCF, has resulted in fundamental change. The same cannot be said of the four people I have just mentioned ! Raymond Aron remained bitter throughout his life. In spite of his political activities and the impact of his newspapers columns in *Le Figaro*, he was never made a member of any ministerial cabinet ...

In February 1986, at the time of Michel Mohrt’s admission to the French Academy (*Académie française*), Jean d’Ormesson similarly said “What is the role of the French Academy ? This is one of the recurrent questions which idiots tirelessly ask when they have finished asking about the weather and the President’s lack of majority in the House. What is its point ? Absolutely none, just like anything which is delightful or a bit grand. What is the point of cats, the Abu Simbel temple, the islands in the Italian lakes, the pink flamingos in the Camargue, military parades, and displays by animals which are designed to impress their prospective mates, old oak trees in the countryside, or happy memories ? What are rites and ceremonies for ? In the eyes of a world dominated by money, by force in all its forms, by passing and irrational fads, what is the point of the Academy ? None at all. Just to have a grand appearance.

We, at the *École de Paris du management* and not at the French Academy, are not as interested in beauty as we are in enriching culture. Our hands are undoubtedly dirty. Conversely, there is no doubt about the squeaky-clean state of the hands of Jean-Paul Sartre, Raymond Aron, Michel Foucault and Pierre Bourdieu. These important men, all graduates of the *École Normale Supérieure* and professors of philosophy, exhibited their talents within a brilliant but narrow intellectual community barely extending beyond the Latin Quarter !

TALK : Michel CROZIER

It is a fact that I have always been willing to get my hands dirty ! How does one go about making things better ? That is the fundamental question. Man spends most of his time trying to solve problems. I have been lucky enough to have solved many problems. There were more failures than successes but the successes gave me a feeling of being useful. As for knowing whether I had any particular function, this is what I have tried to clarify in my memoirs, and it is the reason that I am here today.

My method : listening

Unlike other intellectuals, I am not a graduate of either the *École Normale Supérieure* or *ENA* (*École nationale d'administration* : the French *Grande Ecole* of Public Management). I began my career without being a member of any profession. I was a researcher at the *CNRS* (*Centre National de la Recherche Scientifique* : French National Centre for Scientific Research), which in those days was honourable but not very important !

First trip to the United States

I became an intellectual through trial and error, rather than as a graduate of any educational establishment. The trip that I took to the United States was because of my thesis on American trade unions. It was there that I discovered the art of listening which I described in my book *Le phénomène bureaucratique* (The Bureaucratic Phenomenon). This art can be divided into three phases : firstly, listening; then analysing; and finally, making a diagnosis. Listening to American trade unionists was not easy ! But I loved it, and I became a professional listener. In fact, I think that a sociologist who is not capable of listening is not a sociologist. I was able to look in the archives at the personal diaries of Alexis de Tocqueville. He was indeed someone who was able to listen ! Democracy in America, and in particular the first volume is a particularly good example of this.

However, in order to listen, one has to have a great deal of empathy. One has to even imagine that the person who is talking is always right. One then has to stand back to compare the different points of view on the same topic. Analysis is possible once the system has been reconstructed, regardless of the organisation involved. The principal question which I had to solve in the context of my thesis, was to explain how individuals who had widely diverging views and interests succeeded in working together and achieved a result. My method enabled me to piece together the tendencies and trends. I wrote the first version of *Le Phénomène bureaucratique* in English. It was the beginning of my work on comparisons between cultures.

Nanterre, May 1968

When the May 1968 revolution took place, I had just been appointed professor at Nanterre, and also at Harvard, which was regarded in France as a very prestigious university. The pride I felt made me less vulnerable to student hostility. I had already taught in America, but it was my first time in France and I had no intention of using methods other than those that had been successful on the other side of the Atlantic. It was a total failure. French students simply expected me to speak without having anything to say themselves ! I was irritated, but I gave them what they wanted, and they returned to the routine of taking notes. It was only later on, when I attempted to understand the reasons for this situation, that I managed to establish a strong and responsible relationship with them.

From politics...

The events of May 1968 were a profound shock to French culture. At that time, I think I had a real influence, but unfortunately I did not know how to use it to my advantage. I was advising Jacques Delors, with whom I had a very close relationship, in those days. Some of the decisions he took had a very fundamental impact on our country, but we had some basic differences of

opinion : whereas he wanted to get French society back on the rails, I wanted to change the rails ! We never really clashed, but I felt that my influence came up against a brick wall.

Similarly, my experience with Jacques Chaban-Delmas turned out to be disappointing. It is unusual for speeches to be received with such applause as the speech he gave at his investiture. It was taken directly from what I had written criticising the constraints in French society, as well as opening up new methods for achieving change in our country. Unfortunately, these methods were not adopted and later on I understood the perverse nature of the media. If one was ready to get one's hands dirty, one had to understand the limits of one's influence. My failure was above all a result of my failure to assess the power of the media.

... to companies

Heads of companies are always in a hurry : their questions have to be answered immediately. A sociologist needs at least a year in order to present his methods and to identify the problems in an organisation. Generally speaking, the following scenario takes place : the manager argues with the sociologist in an attempt to reduce the time needed by the sociologist, and the sociologist succeeds in making his prognosis within the time limits. Of course, the entrepreneur is impressed, but in the meantime, there is a new problem ! The report remains in a drawer until, miraculously, someone shows an interest in it again...

Antoine Riboud approved of my advice and my analyses, but he deliberately postponed putting them into practice. He did not agree to reconstruct Danone's organisation chart which consisted of a financial pyramid controlled by one person, an old friend, whom he felt too embarrassed to remove.

I was most influential on the business market when I was working for the *Institut de l'entreprise* which played an important role in the middle of the 1980s. It was at this time that the French workforce, who were disgusted with the state management of economic life, rediscovered what the company was all about. My ideas were made known widely thanks to the *Forum de l'entreprise* in 1984, which attracted a great number of people. I was given the chance by the *Institut* to launch a comparative study of four French companies, which proved to be very helpful for the management of executives and allowed me to write a very successful book.

Because of this, I was able to establish relationships built on trust between several managers and to impress on them the importance of a company culture. They thought that it was their duty to show the way. I disagreed, as I think that one does not govern culture like the economics of a business. I supported my argument with figures and studies. I encouraged them to listen to their employees in order to understand the company culture and I stressed the need to talk about values only if they were certain that they could apply them to themselves. The pessimism which is now prevalent in France, and which did not exist a few decades ago, is a direct result of the fact that this principle was not respected !

Many companies appeared to be receptive to my ideas, but the economic crisis, which gave rise to fear, caused managers to back down. The executives who had started to benefit from greater responsibilities were deprived of their new margins for manoeuvre. Their disappointment spread to the entire workforce...

My successes

I was able to exert an influence over the course of events particularly in two important situations. The first was at the *SNCF (Société Nationale de Chemin de Fer : French national railway)* during the strike in the winter of 1986 which paralysed the entire country ; and the second was at *Air France* in 1993.

The SNCF

The audit which I carried out in this large company was based on listening : I let the employees talk and introduced the new concept of making them take part in the analysis of the problem, by organising discussion groups about these interviews and about the prognosis. It became clear that this process was of paramount importance to the train drivers, the strongest supporters of the trade union struggle, because it allowed them to express their concerns, and to obtain recognition in an extremely centralised and regulated system. Our study, the results of which were immediately made known to all the employees, highlighted the flaws of the system and the self-perpetuating errors. The company technicians put an end to the widely held belief that 'nothing can be changed at the SNCF'. The change that they devised led to the removal of a key level of the train-driving system. I think I can safely say that this radical change took place very smoothly, thanks to our initial work which allowed us to create a climate of confidence.

Unfortunately, our ambitious programme which aimed to make the SNCF a dynamic and profitable company was not put in place completely. The French President finally decided to allow the CGT trade union – in other words, the communist party – its prerogatives and relieved the chairman and managing director of the SNCF of his duties. It was a return to the political and trade union cant so that any new progress was stopped in its tracks.

Air France

In 1993, Air France was virtually bankrupt. Two plans that had been devised by the best international specialists to save the company had successively failed. There was talk of a third plan but a very violent and unusual strike brought a standstill to Roissy and Orly airports. It looked as if the company was finished. Édouard Balladur, who was Prime Minister at the time, asked François Dupuy and myself to sort out the situation : he was convinced that only sociologists would be able to grasp the full complexity of the situation. He also appointed Christian Blanc to head the company.

The study proved to be much more difficult to carry out than that at the SNCF because tensions were very high. Brussels was demanding a new strategic plan immediately, before allowing the French government to give twenty billion Francs to the company. I persuaded Christian Blanc that we needed at least three months to analyse the crisis : this delay was granted.

The study which we carried out allowed us to expose a tricky problem which undoubtedly explained the failure of previous rescue plans : the greater the individual productivity, the larger the deficit and the more Air France lost its market share ! In the operation chain, loading freight is the first step. It is essential that it takes place within the time limit, otherwise the aeroplanes are delayed. The freight loaders always managed, using a mutual help scheme, to respect the rules. However, greater competition with the United States which had been increasing over the previous few years, manifested itself by increased pressure on individual productivity in the company. Since the teamwork was thwarted, the freight was no longer ready in time and the end result was disastrous. As far as I am concerned, this problem can be applied to all French companies : their individual productivity is stronger than that of their American counterparts and almost equal to that of Japanese companies, and yet...

The trade unions approved the conclusions of the study, but Christian Blanc insisted on sending a questionnaire to all thirty-nine thousand employees of the company. Since it seemed as if this referendum had become the sole solution to the problem, the media was enthusiastic. I was interviewed on television opposite Nicole Notat (head of the socialist trade union) to remind everyone that this questionnaire was part of a much wider approach regarding employee participation.

Half the employees answered the questionnaire : this was a great success, and volunteers helped to make sense of the results under the management of a team of sociologists. Christian Blanc forced a referendum and, eventually, 80 % of the employees declared that they were in favour of the drastic plan which emerged from our analysis. Half the executive jobs were axed, and certain

advantages were suppressed for the employees. Today, Air France is one of the rare profitable airline companies.

DISCUSSION

Standing up to reality

Claude Riveline : Psychoanalysts know very well that it is not easy to shut up and listen ! It is even more difficult for intellectuals, and generally they advise against it. This dates from the time of Socrates, when those who talked on the agora did not work ! They focussed exclusively on ideas and lacked practical experience, they amalgamated the beautiful, the real and the useful. The Socratic method, according to which truth is dormant in the minds of individuals, has similarities to this day with the cult of the perfect form. But reality is not aesthetic. What one discovers when one listens does not have a pretty shape. On the contrary, it is often complex and contradictory. Listening is the effect of a great form of asceticism.

Question : *Alexis de Tocqueville, once again, really understood that intellectuals often lack the knowledge which can only be acquired by getting one's hands dirty : "The very condition of these authors prepared them to taste the general and abstract theories in terms of government and to confide in them blindly. Far removed from the practical side of things, no single experience was able to moderate the fervour of their natural state. Nothing warned them of the obstacles which reality could bring to even the most desirable ideas. Therefore, they did not have the slightest experience of government which gives the vision of a free society and all that is said in it."*

Q. : *As far as historians are concerned, intellectuals are people who speak the truth and become involved in fighting for the causes of the oppressed. Did you have the feeling when you were involved in organisations that you were helping the employees who were the least privileged in the hierarchy ?*

Michel Crozier : The idea which has dominated French sociology for a long time is that one should fight for the oppressed. Personally, I rapidly realised that this is both impossible and useless. To help those in need, one has to be neutral. If one becomes involved in fighting against oppression, one becomes political or one joins trade unions, but one does not become involved in research.

In any case, one is never sure of the consequences of one's actions. Throughout my career, I have made sure that the stalemates were partially broken and that the organisations opened up more.

Q. : *It seems to me that the stalemate is not necessarily about what one thinks it is. When someone says 'no' and expresses his dissatisfaction, he is almost always right. The problem is understanding what he is saying. One should always be wary of remarks taken out of context.*

M. C. : At the SNCF, we tried to understand the significance of the trade union speeches. Their representatives are often very talented people who hate political cant. If we tried to listen to them, we might be able to establish a constructive dialogue with them on an individual basis. However, it is the collective stalemates which pose most problems. The least privileged have a way of defending themselves which merely serves to maintain the inequities of the system. To stop political cant and to grasp what is really at stake, one has to go beyond normal logic and free oneself of the rationality of the profession.

C. R. : The first verse of the *Internationale* anthem is surprising : « Arise ye workers from your slumbers // Arise ye prisoners of want // For reason in revolt now thunders // And at last ends the age of cant. » Is history then the product of reason ? If we take from the rich to give to the poor, society will show equality and be content... We know that in reality things are more complex

than this. Political cant, which paralyses the intellectual, is the daughter of reason. Getting one's hands dirty is something else altogether...

The managers

Q. : *Managers do what they are able to do and in their everyday lives they are often confronted with extreme difficulties. I am always shocked that people whose job is to give out ideas allow themselves a judgement such as "the managers were scared and backed down"... Executives have a terrifying life as far as globalisation is concerned ! Being the manager of a company in France is an impossible mission ! It seems to me that the intellectual world refuses to understand this.*

M. C. : Even in a very difficult job one should not fail to highlight the errors when one comes across them. When the economic crisis took place, company heads in France played an important role in demoralising their employees. They all had excuses, and some of them had done wonderful things, but the overall trend was catastrophic. One of the mistakes of French managers is to play at being intellectuals. They overdo it and unfortunately often say stupid things.

C. R. : It can be very lonely being the boss. Those who advise him confine themselves to producing negative advice : if this does not work, at least he has been warned ! It is less risky that producing positive advice.

About fifteen years ago, I carried out a study into the daily life of chairmen and managing directors. The thirty-three managers whom I interviewed all had identical offices in terms of size, furniture, and even green plants ! Managers spent their time in other people's offices. They were preoccupied with knowing what their colleagues would do in their place. The conclusion is that if a manager listens to an intellectual, everyone follows suit !

Q. : *Above all, is it not just a question of being courageous in order to make things happen when one is a manager ? Christian Blanc's show of courage was decisive in putting an end to the Air France crisis.*

M. C. : How should one help managers of important companies to show their courage ? They have more than they think they have, especially when they are enthusiastic and passionate by nature. Passion is a decisive quality in a manager : it allows him to gather energy around him. In *Mutiny on the Bounty*, an important film for sociologists, the captain is loathed but has enough support from the sailors to achieve what he wanted !

C. R. : Do you know the foreigner theory ? At one period in time, two-thirds of the American Nobel prize winners were born outside the United States. They were immigrants with their backs to the wall, and they had to succeed or else go back from whence they came. Their children were subjected to much less pressure and were lulled along by the American way of life. They have not had to follow in their parents' footsteps. Christian Blanc is a foreigner : he is not from ENA and he is a self-made man. He had accounts to settle...

Family-run companies also produce good managers. In the Peugeot family, one grows up steeped in business talk. Passion is not theoretical, it is in one's genes.

Emerging from the crisis

C. R. : Michel Crozier is outraged by situations which result in deadlock. He thinks that it is normal that once he has listened, analysed and suggested solutions that the wheels should be put in motion. Personally, I think that the normal state of a society is to oppose change ! In our society, the four important levels in ascending order are the material, the institution, the people involved and the sacred. It would be really extraordinary if one of these were to allow movement to take place : changes would be a miracle ! However, Michel Crozier gives priority to the institution and those involved, and holds the subject and the sacred at a distance. And yet, the media and politics, which fail to disseminate his ideas, are the architects of the sacred...

M. C. : But it is the over-investment in the sacred which generates the deadlocks ! In fact, I am not outraged but passionate. Stanley Hoffman, a friend from Harvard, was right : nothing is ever possible in France, apart from last minute agreements... Today, we are in a situation from which we are incapable of extricating ourselves. Any system which does not move is condemned to entropy. To reverse the process, we are going to need bold managers, researchers and enterprising innovators.

C. R. : You have identified the mechanism for making progress. Ever since 1965, when it was published, I have been telling my students to read *The bureaucratic phenomenon*. Its analyses are still innovative today and are very useful for young engineers who are starting work for the first time. Having read it, they are prepared to understand deadlocks and put an end to them !

Q. : *The École des mines is one of the French 'grandes écoles' which has changed the most during the past few decades and today is very dynamic. Is one of the ways of influencing one's era to create disciples ? Teaching is a strong method of action.*

M. C. : I was passionate about this profession. At *Sciences-Po* (Institute of Political Science), I was free to organise the educational programme of future sociologists as I saw fit. The system only really took off six years later, but it is still there today and has its place in the world of consulting and engineering and business schools. This is certainly a concrete result !

Presentation of the speakers :

Michel Crozier carried out his first sociological study at the *Chèques Postaux de Paris* (equivalent of National Girobank) in 1953, and his second between 1955 and 1957 on the monopoly of the *Tabacs* institution. He was a visiting scholar at the *Center for Advanced Study in the Behavioral sciences* between 1959 and 1960. He wrote his book *The Bureaucratic Phenomenon* (University of Chicago Press) originally for the American market : it was subsequently published for the French and British markets in 1964 and 1965. He carried out a number of studies concerning public and private organisations and published about ten books emanating from this research between 1970 and 1995. He published his memoirs entitled *Ma belle époque* (pub. Fayard, 2002) and *À contre-courant* (pub. Fayard, 2004).

Claude Riveline : engineering graduate of the *École des Mines*, and professor in management at the *École des mines de Paris* where he founded the *Centre de gestion scientifique* in the 1960s. He is interested in the causes of the functioning and the malfunctioning of organisations.

Translation by Rachel Marlin (marlin@wanadoo.fr)