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SOCIOLOGISTS AS CONSULTANTS : ACTIVE LISTENING AT AIR FRANCE

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with

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Organisational sociology as a consulting tool

François Dupuy : I would like to talk to you today more about what we have done and continue to do at Air France, than about generalities of the consultant-client relation, which I will nevertheless touch upon here and there. The first point I would like to make is that almost everyone has something or other to say about air transport. The press plays an active role in the intervening process and can somewhat threaten the link between a consultant and his client: this is what actually happened with a recent article in Expansion magazine, which was written in particularly blunt terms and strongly interfered with our relationship.

Firstly, it is important to remember that we are consultants, even though we are essentially a group of organisational sociologists and most of us have been trained in the Crozier school of thought. At one point we wagered that organisational sociology (to be precise, the strategic analysis of organisations) could be used as a consulting tool. We have kept to this particular niche by deciding to market organisational sociology as a specific consulting tool. It turned out that consultancy from the “front-line” position of an consulting firm is rather different in practice from the previous experiences I had as a researcher within the CNRS.

What I find fascinating is how organisational sociology has provided a useful tool for operational consultancy. On the one hand it helped us to determine the actual form of the job - even though we can't really have been particularly original in this respect (I suspect that everyone thinks that he or she is original, but in fact we often reinvent the same things) and on the other hand, it has been extremely valuable in terms of the content of our analyses. Having worked for 15 years in a CNRS laboratory, 10 years in consulting and now returning to the CNRS, I feel that I have done my best research so far with the agency. We have moved forward on many basic concepts of organisational sociology. Many of the people who follow our work are often amazed to see how the fundamentals of the sociology of organisations can actually evolve through means other than classic research methods.

The call from Christian Blanc

As far as our current work with Air France is concerned, I should first point out that we were consulted right from the start, or in other words, when Christian Blanc arrived. In fact, he asked me to come and discuss issues with him during his very first days with the company. We had already had previous contact with him since we worked together at the RATP, but our knowledge of the air transport business was appalling. Bear in mind that it is a very well-known field with a number of major specialists. Firstly, one finds specialists in airline strategy, since deregulation has led to a redefinition of strategy, in terms of local markets, foreign markets, joint ventures with other airlines, and so on. Secondly, there are also some major specialists in route economy or "yield management" as it is called (the study of the turn-around times and passenger numbers which yield profits). This particular field has been intensely studied, notably at MIT, and much work is being done on theoretical models, particularly by mathematicians.

As for ourselves, we didn't know anything about the sector, but Air France's request concerned method more than content. To put it provocatively, I am tempted to make a comparison with the health sector. No other economic sector has been as thoroughly researched and studied both by academics and consultants. Yet, all that accumulated knowledge cannot help the health sector from falling apart. Christian Blanc’s idea was to take a fresh look at the situation. As long as people would keep looking at Air France with the same old tired lenses, nobody would learn anything and nothing would be able to slow the downward slide. So why not try to take a fresh look? It is rather meaningful to note that it was Air France’s staff who rang the alarm bell in the first place. Let's go back to 1993: the new chairman arrived in November and noted the extent of the disaster: Air France employed 40,000 and operated 154 aircraft (which means in practice that there were not even sufficient aircraft to carry all the personnel - a embarrassingly bad performance on a classic

ratio in the industry.) Moreover, Air France's deficit was standing at 8 billion francs, or half of the total losses of all the commercial airlines in the world put together.

Giving Air France a hearing

We were therefore well aware of how difficult the situation had been for some time, as described in Bernard Attali's book. However, the problem only became *really* serious when the staff invaded the runways. In the air transport tradition, invading the runways can be compared to breaking the machines in a factory: it breaks one of the industry's strongest taboos and is considered to be an irreversible gesture. This explains the process we adopted for our intervention. We designed this process with Air France as we were going along, although I've already emphasised the fact that it wasn't very original. Furthermore, it was largely inspired by work we had done previously, in particular with Renault.

I would like to explain briefly what this process actually involved. First of all, we were inspired by what Michel Crozier had done at the SNCF during his time there, after the massive strikes in 1988. When the president asked me what I could do, I replied quite frankly that I had no idea as yet, since I didn't know much about the sector. We both felt that people had expressed themselves frequently and loudly and that the first thing we should do was to go and listen to what they had to say. We devoted ourselves to a 'sociological hearing' at Air France. This expression was started at Air France and has since been picked up even by the unions. We said, "*We must listen to people"* but not in the naïve sense of "*You're on strike and you've occupied the runways: this isn't right since the situation is very serious"*, to which they would have replied, *"That's exactly what we've been trying to tell you from the start!"* What we said was that listening to people would not consist of asking them why they were on strike. In any case, the managers were telling us that they knew the reason for this perfectly well: the Attali plan had been the straw that broke the camel's back. I therefore pointed out that what was important was not the last straw itself but the straws that were already there: a sociological hearing would allow us to understand this.

We then carried out the operation, which initially involved conducting 106 interviews on freight, maintenance and passenger flows. We tried to understand the organisational phenomena behind the strikes. It went without saying that 106 interviews wouldn't allow us to make a diagnosis of the whole company. We therefore decided to use the opportunity to tell people, *"Every time we look around your workplace, we identify an organisational phenomenon which is generating undesirable effects"*. For example, what struck people the most and really caused a fuss was what was happening in freight, where we found a real paradox. In terms of freight handling, Air France must be the most productive of all the international airlines, using the fewest employees to unload a 747. However, Air France freight has been making considerable losses. The more productivity increased, the more money and market shares and were lost. People were therefore told that they had to make sacrifices. On the one hand, there was pressure on them to increase productivity, while on the other they were being asked to pay the price! This paradox could be explained by the fact that it might indeed have taken only 2 people to unload a 747, but the other functions were kept identical, for example the fork-lift truck operators who waited for the aeroplane to be empty before transporting its cargo. Moreover, if at the end of the chain, the people who broke up the containers waited for the whole batch to arrive before doing the job and giving them to the customer, by definition, the gain in upstream productivity would mean a considerably longer wait for the client, who would complain about the service and change carriers.

Productivity gains cannot be achieved without rethinking the way people actually work; if not, quality goes through the window. In more general terms, the important thing was to rebuild these mechanisms. All the vertical sections should be involved. At Air France, not one employee was assessed on his or her customer service, and there was therefore no solidarity between the different members of the chain. Our hearing therefore consisted of identifying a certain number of

these organisational phenomena. By using organisational sociology as a starting point and making mini-diagnoses in specific areas, we were able to bring some of the more widespread problems to the fore.

I'm going to use maintenance as an example to illustrate another of these phenomena: the degree of confusion among the managers. We heard the maintenance managers say, *"These days, what characterises maintenance is that if there's a tool lying around, nobody bothers to pick it up anymore. Anyway, young people are no longer motivated: all they're interested in is their motorbikes"*. Using strategic analysis reasoning, we can see why the fact that a key isn't picked up is the result of a rational strategy. The same is true when staff put people onto a plane without bothering to find out whether or not it's ready to take off. This stems from the division of ground personnel on one side and flight crews on the other, as well as from the fact that airlines generally only assess delays at departure (whereas the customer is more interested in delays upon arrival). When you're a ground worker, your primary concern is getting passengers on board so that the delay is not your responsibility. Then it's no longer your problem. The diagnosis involved highlighting this whole series of paradoxes through a strong methodology. This was the first phase of our work. Our problem was that we only had 3 weeks to do this. That's why we decided to focus on some of the core paradoxes.

Rebuilding

Following this hearing we were able to begin the second phase of our intervention process: communicating what we had found. This is where one usually comes up against a classic problem: the client's caution. You have to be in a critical situation like Air France for the client to say *"Go and present you findings in the same way to the whole company. Go and tell people that we've listened to them"*. That's exactly what we did, including the unions. We were careful to use the same overhead slides, entitled "Board Meeting, 3rd January 1994", in order to show clearly that we were giving people the same message. This was not always very easy, but it served as an ideal preparation for the Air France questionnaires and the referendum which followed.

Change

The third phase concerned the change processes. This is generally very difficult since nobody really knows how to master them. We were asked *"What should we do now? How are we going to transform the company from a bureaucratic structure (where every aspect of the management and operations is centred on solving internal problems) to a customer-oriented logic?"* Our reply was *"We don't know"*. In fact, neither the top management nor the consultants could give an answer to this question.

However, top managers and consultants can generally change the structure of an organisation, and this happened quickly at Air France, by decentralising the power and splitting the organisation into profit centres. However, with regards to the methodology used for changing the operating procedures, we said that the personnel should be consulted. We created a multitude of cross-functional working parties who were briefed with the appropriate diagnoses. We explained to each group the problems with a strong customer focus: "*How are you going to find other methods that will allow you to be customer focused?"* This allowed us to avoid starting any major new projects, although this was what Air France had in fact asked of us. For example, one cannot kick a bureaucracy into action without changing employees appraisal procedures, which can carry considerable weight. But trying to make major new changes to staff appraisal schemes is like waving a red flag in front of a bull. What is needed is for the employees themselves, in working parties, to reach the conclusion *"You need to change the appraisal schemes"*. They have to realise the need by themselves and then ask for the changes.

One of the characteristics of the current change process at Air France is the employees' confidence. One of France's handicaps at the moment is that nobody trusts anybody and the elite try to think out changes by themselves. This does not work, since workers at the base of the company hierarchy are not very good at accepting and adapting to decisions made at the top.

Conceptualising the customer

Another of our inputs was a conceptual framework. This forced us to place the existing operating modes in relation to the whole range of problems a company has to manage. Turmoil in a company often leads to a fixation on marketing. I witnessed this at Air France: "*You're telling us that we're too inward-looking, so we're going to go straight to the customers and find out what they want*". In this way, the company's first reaction was to satisfy customer expectations, as they had been defined by a Cofremca survey. This poses the immediate problem of turning customer expectations into products, since customers tend to contradict, exaggerate and are not aware of the company's limits. From this point of view, the only person who will make the customer policy is the management controller, who will say *"I can't allow that"* to certain suggestions. The priorities will therefore be set in a bureaucratic manner. However, we tried to show that cost shouldn't be an obstacle. Cost is an integral part of the quality process and as such does not represent an external constraint. What is needed is for customers' expectations to be conceptualised, in other words, for everything they ask for to be noted and turned into a core concept. This is what British Airways has done with its 'seamless travel' concept. Customers don't come into the office asking for 'seamless travel' , but this is the way their narrow range of requests are interpreted. This core concept allows the company to organise itself and provide products of a different nature.

The product offer should not be confused with what we call «products». This conceptualising has given us the Air France 'ARC' framework: Anticipate, React and Create value. We can then define the concept in terms of operating modes. If I want to provide my passengers with seamless travel, what does this mean in terms of operating modes? You are then led to question the company's dominant culture. Let's take the example of the ground personnel - flight crew distinction: this is not an essential company principle but a technical constraint. The operating modes should not be determined on the basis of technical constraints but from the viewpoint of the customer. We are now advising Air France that its products are not seats or the spacing between seats, but a whole range of operations. Working differently ("travailler autrement") and "changing operating modes" ("changer les modes de fonctionnement") have become the main themes for the changes at Air France.

DEBATE

The consultant and his client

Question : Who was the client: Christian Blanc or an organisation ? How often did you meet with the client ?

François Dupuy : The initial client was Christian Blanc. Until Air France was split into profit centres, we continued to talk him and Martine Bidegain. We kept in regular contact with her every week or fortnight, as the president had asked, in order to co-ordinate the management committee. Once the company had been divided up, we worked directly with the profit centres and Martine Bidegain was the person we spoke to about any operations concerning the whole company, since she is the delegate in charge of organisation and training. Martine Bidegain is also the person who has headed the Air France project from the start.

Q. : Allow me to suggest a different version of the events you've presented. Mr. Blanc called on Mr. Dupuy so that Dupuy would act as a showcase for his changes. In the same way, after the bad

experience with Arthur Anderson, he enlisted the help of Peat Marwick to take charge of the 'hard' element, ie. a mission which would lead to major organisational changes. You therefore handled the 'listening' in a very visible way (we often read in the press about "*A Sociologist at Air France"*) in order to show that the employees were being listened to, and so prepare for the referendum. Alongside this, quite separately it seems, the real organisational changes were being implemented. How do you position your work on operating modes against these organisational changes? Do you not feel as though you've been the visible part of a process, which involved changes being orchestrated alongside your mission, without providing feedback to the employees ?

F.D. : No, I never felt like a showcase, for the simple reason that these profit centres you've heard so much about were decided on quickly by a small working party of which I was an active member. We were indeed conscious of the need for noticeable structural changes, since it would take much longer to change the operating modes than the structures. I therefore played an important role in the talks and was a driving force for the creation of this structural framework.
On the other hand, the ways employees perceive the changes at Air France differs enormously, since the processes vary within the company. In this way, we only intervened at the request of local centres and not on a company-wide scale.

Is Active Listening the solution ?

Q : I would like to discuss the link between your investigation methods and your conclusions, which seem unclear and even debatable to me. The key words in your investigation method are 'knowledge', 'speech', listening' and 'concept'. What stands out are the ideas as you described them: we're going to listen to 106 people and balance this out by also letting the customers speak. This reminds one of psychoanalysis, where people also listen and interpret; however the results have tenuous links with what is actually said. As for myself, I'm a management researcher and I don't limit myself to what people say. To me, these are the symptoms, especially since I can't interpret what is said without understanding the context. What interests me is the way an organisation operates like a set of machinery. But this is also of interest to you, since you spoke later about split palettes, fully-boarded aircraft held up before take-off and core appraisal schemes. Your third section switched to a different register again, with marketing, customer expectations, and so on. I'm a bit lost as to the link between the investigation method, analyses and proposals, although I do clearly see the advantages: it doesn't take long to do 106 interviews. For me to be able to talk about aircraft held up at departure and come up with ideas, I would need a whole year to implement measures, make observations, compare these observations with the measures, and so on. I understand the practical reasons which encourage you to work like in this way, but it seems to me that the theory suffers from a certain clumsiness.

F.D. : Let's not be unfair: it's true that 106 interviews don't take long to do, but we must be up to 400 at the moment. Moreover, if you say that you don't take any notice of what people say, then it seems at the very least that you can't have understood what the strategic analysis of organisations and systems is all about. Active listening covers both what people say and do. In an article written about 30 years ago, called "Feelings, Organisations and Systems" ("Sentiments, organisations et systèmes"), Michel Crozier explains very clearly how a company's operations can be rebuilt from the basis of what people communicate. Listening interests me because it implies comparing perceptions which are differentiated from the decision-makers see. From the moment these people express themselves, I can progress from their perceptions to the organisation's operating modes. What people say is useful to me, not as something I can transcribe, but as a raw material that allows me to make a diagnosis on the way the organisation operates. Finally, the recommendations we made to Air France never concerned substance but methodology: *"Here's how we could use the employees to try to find solutions to the problems that have been identified".*

Operating modes

Q : What do you mean by 'operating mode'? Is it something that can be interpreted as a “code of conduct”? If so, how is it useful, and how is it designed?

F.D. : I don't know how to give a good definition of an operating mode. With reference to a remark made earlier, I would say that for me it's the concrete way an organisation produces whatever its products are, and the way various people co-operate within the company. In this sense, a switch from vertical to horizontal operating modes implies making very firm, concrete changes to the ways people cooperate. A typical example: we fought against rigid structures in favour of a flexible structure, since we believe that rigid structures resolve product-related problems, whereas in order to satisfy a client at a given moment, one should match up operations and therefore modes of co-operation which are often highly conflictual within an organisation.
Another typical example: putting the head air stewardesses in the departure lounges. This is a very difficult matter since it concerns flight personnel who are therefore not responsible for what goes on in the departure lounges. In July, we had the following experience: during the air traffic controllers' strike at Charles de Gaulle airport, Air France used a 747 to replace two A 320s (since a 747 can carry 400 people and thereby dispense with the need for an A 320). We therefore found ourselves with 400 people in a departure lounge who were waiting to board a 747 which was $1^{1/2}$ hours late for take-off. What we said was, instead of the ground personnel making an official announcement *("Due to strike action...")*, it would be better if the head air stewardess came to the departure lounge and told passengers *"Ladies and gentlemen, we have a $1^{1/2}$hour delay. We're aware that you're here in a poorly air-conditioned room. A 747 has better air conditioning, so if you agree, in half an hour's time, we'll let you board the plane, where we'll serve refreshments while waiting for the take-off".*
Here, the ground-flight continuity was assured, because the flight crew came to anticipate their job on board the plane, by dealing with what is normally the task of the ground personnel. 400 people have never before boarded in such good conditions. But a lot of work is needed before you can take an air stewardess into a departure lounge, because this goes against the basics of the job.
As for a code of conduct, I don't believe in this, in the same way that I don't believe in a company credo. I don't think things like this should be spelt out. People don't act as they do because they're idiots, but because they're intelligent human beings. Once we'd understood this, we made major progress with the way we managed the changes. In other words, management doesn't mean explaining to people how they should act differently, but creating a context where it will be a little more in their interest to change. Rather than rely on a code of conduct, why not play with, for example, the appraisal criteria?

Research and action

Q : You said that you did your best research while benefiting from your status as a private consultant rather than as a CNRS researcher. How did your consulting agent status at Air France influence your research and allow you make discoveries that you might otherwise have missed as a CNRS researcher?

F.D. : I didn't say that my status allowed me to do some of my best research, but some at least as equally good research in different conditions. As a researcher I specialised in bureaucracy, and I could tell you how much I enjoyed writing a number of books on the subject with Claude Thoenig. But it's a different world. My experience with the agency gave me access to 'hard' items in various organisations, which had never been available to me as a researcher. The down side is that writing is not a priority, and even disappears from the scene altogether. It seems ideal to me to have followed the researcher-consultant path and to now become a researcher once again.
We are currently witnessing a revolution on the same scale as the advent of mass production. This revolution is the triumph of the customer. These days it is posing us an organisational problem, and

I feel that if I hadn't applied these steps in consulting, I wouldn't be capable of working with Air France so.

Q : What, in terms of your findings, has provided the impetus for the management committee since January? (NB: This debate took place last October).

F.D. : The 106 interviews only provided a few interesting paradoxes, but enough to product an electric shock effect and tell the directors: *"You don't know what's going on in your own organisation"*.
We learnt the most at a later stage, when we started up the working parties and were able, at their request, to brief them with our diagnoses. These days, I think that if I had to wear my researcher's hat again, none of us would be capable of giving a succinct analysis of Air France, nor of writing a book on the subject. The consultant doesn't experience this long thought-out phase which allows one to escape the pressure of events.

Q : To go back to the notion of power, I would like to know what your position was vis-à-vis customers as a consultant in the firm.

F.D. : Organisational sociologists have always been relatively curt when describing how they intervene because they offer a way of reasoning, not a product. And for me, having created a consulting agency from organisational sociology, the great difficulty has always been explaining that I didn't have any consulting products, but simply a way of reasoning. This explains why educating people is a major element of the marketing policy for an agency centred on organisational sociology. In fact, it's through training that people are able to realise what you're doing; otherwise this remains abstract to them. This means that in the case of Air France, we never sought to give advice of the sort "*You'd better not do that*", with just one exception. Instead we told them, *"Here's how you can use certain reasoning tools to try to make progress with your problem"*. We have always positioned ourselves on method.

Q : On the subject of training, how does the work you've done at Air France correspond to training, for example with the managers?

F.D. : We're not doing any training for the moment at Air France. The company has been led to define some training priorities, the very first of which concerns its 'front-line'. There are people who are better than us at doing this.

Q : As the 'new' researcher that you've become once again, where are you at with your current and future research? Also, what role has Michel Crozier played at Air France?

F.D. : Michel Crozier acted as a consultant right at the beginning. As far as research is concerned, the possibility of overlapping is not a problem: science, including fledgling disciplines are characterised by their cumulative nature. Each person has his or her contribution to make. In a book we wrote with J.C. Thoening, we tried to further organisational sociology, which as you'll notice stops at the concept of regulation (strategy-system-regulation). We tried to develop regulation costs and the mechanisms for externalising and internalising these costs. This is an example of something which should be looked at in more detail.
Today, my ambition is to move forward by taking up once again the pen of a researcher, and this is only possible on paper