

## MANAGERIAL EFFICIENCY

### The best lever of performance and growth

**46% of the time, the initiatives of operational performance improvements do not bring the expected results**

When facing a crisis or strong growth, the ability of companies to adapt quickly and to mobilize teams in a short period of time to address critical challenges becomes a key success factor. Only a few succeed, even in stable internal and external environments, and most of companies produce outcomes far from the original targets they had initially set:

- The benefits are not meeting the original provisions and announcements, despite important resource investments and a full-fledged efforts made by employees;
- Transformational programs are delayed or over-budget two times out of three, or even aborted;
- Mergers and acquisitions don't deliver the expected synergies, both in terms of load reduction and business development, and generate frustrations and rivalries among employees;
- The company, triggering too many inconsistent initiatives, addressing issues unrelated to the strategy, deprives itself from resources which could be used to the benefits of more important projects.

Beyond clunky strategies, the common characteristic of such failures is managerial deficiency:

- There is often a gap between the managerial practices encouraged by Top Management, those applied by Middle Management, and those expected by the workers;
- Managers spend too much time dealing with daily problems and menial issues, which is detrimental to improvement initiatives and people development;
- The lack of cohesion between managers entails a competition to use human, financial and technological resources, for the sake of concurrent goals sometimes in direct contradiction with the goals set by top managers;
- Middle managers and foremen in particular are the basis of any viable change, but remain neglected and often insufficiently considered as part of the managerial team;
- Managers experience difficulties to give meaning to the goals they defend, with regards to their daily tasks, and they struggle to encourage cooperation among teams.

**Under-performing management is a major cause of project failure**

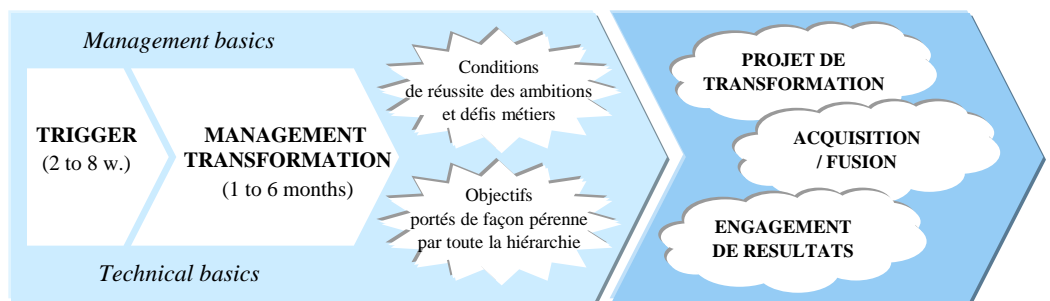
We deploy a program to help companies implement the required managerial transformation, to be able to sustainably obtain the expected results

Because managerial inefficiency threatens the success of a company, we have developed a methodology which enables to transform the management practices, in order to make the companies' programs a success: reconstruction around a shared vision, reorganization, reinitialization after ERP implementations, outsourcing, ...

Building trust, making management credible again, involving and aligning managers and more broadly motivating people are the main levers of Top Management to achieve their goals, and are at the heart of our approach.

Based on both our knowledge of operations and management tools, strenghtened by our wide experience of the many companies we assisted, we are forcefully attached to:

- Understand the management style of the company, helping the director to change it towards better cohesion and engagement in shared projects and common objectives.

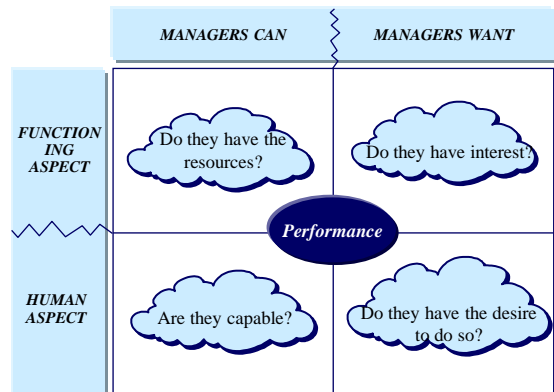


- To identify and carry out, within a program, the appropriate transformations at the level of management and leadership performance..

In this context, the originality and strength of our approach lie in understanding the formal and informal elements that explain management effectiveness. In fact, like many of our colleagues, we strive to lay out the formal elements of company management while integrating our knowledge of R&D, production, supply chain, and our clients' activities :

- What modes and management practices are in place? Does the management set an example? Are they capable of developing the skills of their employees?
- Do managers possess team leadership skills and the fundamentals of driving progress ?

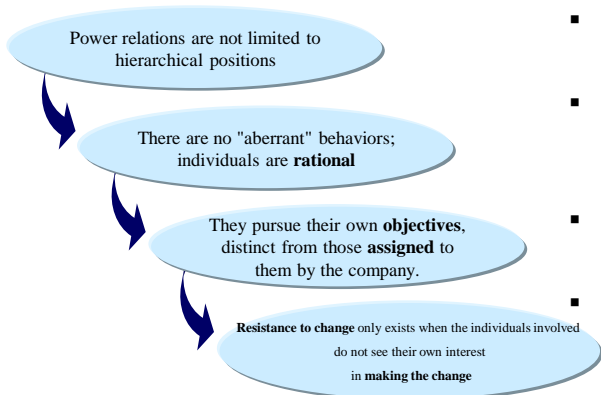
- What is the level of understanding and daily application of the company's objectives by managers?
- What resources does the company allocate to the development of its managers?
- What is the degree of centralization in the hierarchical structure? What autonomy and room for maneuver are granted to managers?
- Are the roles and responsibilities of managers known, clear, and well-defined across different levels ?
- What arbitration/decision-making/delegation processes are in place? Are they aligned with the strategy?



We rely on an understanding of the rational factors of managerial functioning, facilitated by our technical and business expertise in the company

Additionally, we further clarify the informal aspect of the organization and decipher the underlying functioning of the company to enable its progress.

- We explore the challenges and constraints faced by managers, the regulatory logics they have implemented, and the consequences for the company.
- We also examine the relational and social rules of the game that are in place



- What are the power relations that truly structure the organization?
- How do we interpret and make sense of managerial behaviors that may appear "aberrant"?
- What is the reality of cooperation or non-cooperation among managers?
- How does the "hidden" reality of the company's functioning intersect with strategic choices?

- What are the key drivers of sustainable change that enable:
  - Middle and frontline management levels to fulfill their roles effectively?
  - Cooperation between different functions and hierarchical levels within the organizations.

Based on this dual understanding of the company, we can identify actions to be taken, starting with those that create a visible and cohesive disruption in the skills and managerial behaviors at all levels of the organization, thus generating a noticeable impact on our clients. These actions include:

- Repositioning the roles and responsibilities of each management level to ensure that workshop supervisors, for example, do not perform tasks assigned to their subordinates ;
- Learning to use management approaches (imposition, negotiation, or facilitation) that are most suitable for different situations and types of employees present;
- Implementing fundamental management practices such as daily operational facilitation, on-site manager support, project management, and driving continuous improvement initiatives, ...
- Simplifying the hierarchy of decision-making to ensure swift dissemination of decisions and a consistent understanding of messages, complemented by increased presence in the field;
- Establishing a club that brings together the first levels of management to collectively enhance their management skills through addressing topics such as absenteeism management, safety requirements, etc, ...
- Strengthening cohesion around shared goals by creating a transformation roadmap and reviewing the project portfolio, ...



We incorporate a sociological perspective on these elements to understand the reality and provide coherence

By taking concrete actions at every level of management, we visibly initiate managerial change

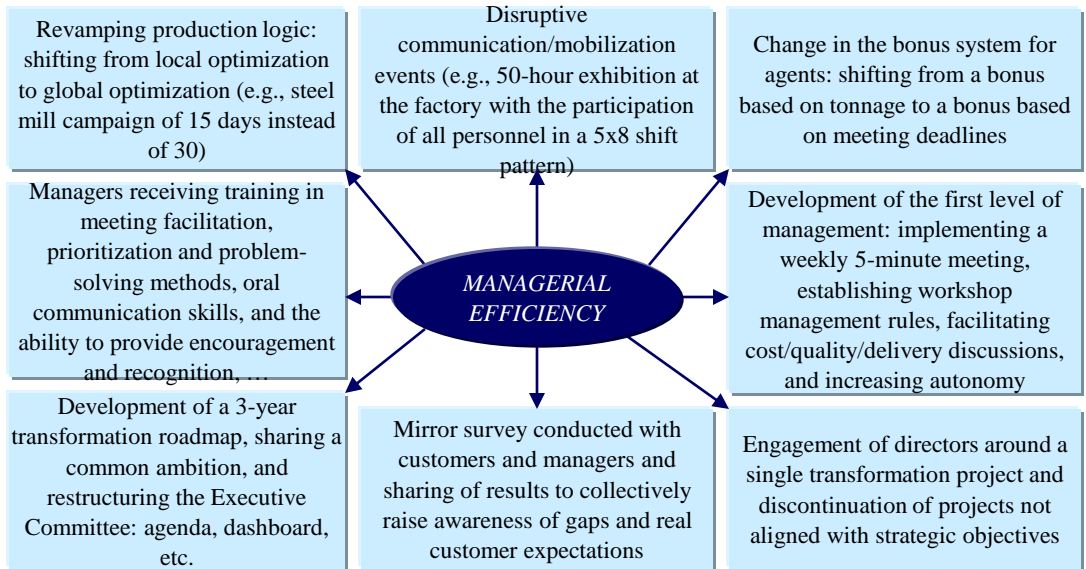
**Case 1**

**Abandon the local productivity logic to improve the overall performance of the company.**

An industrial steel manufacturer producing special steels aiming to:

- Improve the on-time delivery rate of complete orders by 50%.
- Reduce the manufacturing cycle by 20%.

After 12 months, the customer service rate has increased from 20% to 70%, and the factory is operating in a continuous improvement mindset, thanks to efforts in both technical and managerial domains.



**Case 2**

**Implementing managerial practices to foster cooperation and successfully implement a new product crucial for the company's success**

An aerospace industry manufacturer initiates a major product development program (worth around 1 billion Euros) representing one-third of the company's revenue.

At the end, the program successfully achieved 100% of its deadlines and profit targets, meeting the expected performance levels. The team takes pride in delivering such an accomplishment, with many members now holding significant responsibilities within the organization.

