



Case study summary sheet : IBM

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- ✓ IBM has been familiar for many years with continuous adaptation strategies, and has already totally changed its economic model, from that of an industrial to a service model. It is in a sector that faces "total" pressure from the competition.
- ✓ It has extremely centralised methods of governance and corporate relations, with very tight timing in terms of implementation of change, and return pay back. There is practically no lapse of time between the initial plan and the result obtained after examination of the restructuring process. This centralised and "rigid" mode of governance applies also within the corporation itself and its various components, and is subsequently reflected in its strategies of adaptation. This may be a characteristic of the management style of Anglo-Saxon groups?
- ✓ In the light of the above, there is clearly no bargaining and very little discussion of economic options between the management and the employee representatives or the institutions that represent the workforce. The only negotiating involved concerns modalities, and social support measures.
- ✓ The GPEC agreement (agreement on the management of employment and skills) signed with certain unions may trigger a process of shared strategic planning, but it depends very much on the quality of the information given to the employee representatives, hence on a reduction of the usual lack of symmetry in this area. The challenge for those sitting round the negotiating table is to "change the pattern", and "gain the capacity to influence decision-making".
- ✓ Very little is heard of the restructuring outside the walls of the company, as the process remains very much an internal affair, with minimum recourse to the means made available by the State.
- ✓ Voluntary redundancies and early retirement mean that the necessary adjustments to staffing levels can be made without having to resort to redundancy plans.
- ✓ Finally, IBM was quick off the mark in learning to take advantage of the recent changes in French legislation in this area, particularly with regard to "method agreements" focusing on procedures. These changes are fairly close to the group's "historical philosophy" in this area.