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INEFFICIENCY IN ORGANIZATIONS AND WELLBEING

"Happiness" at work. After having been launched in 2000 by Google this term has by now acquired a large popularity , though it is as a matter of fact erroneous. One should rather use the vocable « satisfaction », knowing that satisfaction is the result of an effort. The consequence of true satisfaction is interest and as a consequence true efficiency in work. Experiments show that children at liberty to choose their own learning process develop more quickly and will learn better than those who are burdened with a predetermined learning rhythm. Such an experiment recently conducted in France (Jean-Lurçat nursery school in Gennevilliers, 2011-2014) by Céline Alvarez is totally probant "My objective, explained Mrs Alvarez, was to propose an environment based on the great principles of blooming human being, thanks to the contribution of the neurosciences and work of Maria Montessori. " Why should not the same approach be effective in organizations ? Adults also crave to learn and to discover, so let us offer them an environment enabling them to do so and let us observe the results.

The author's reflexions in this field originated in 2006 while researching about effectiveness in the organizations -an organization meaning a company, association, club, department: any group of people gathered to reach a common goal.

I was thus induced to investigate theoretically about this topic.

The present work is also based upon theories introduced by three major scientific and medical researchers :

Hans Selye, whose first paper about the Stress was issued in 1936 in *Nature*. Lev Vygotski, Лев Семенович Выго́тский, who in 1926 published the basis of what is presently known as the socio-cognitive theory. Paul Diel who created the Psychology of Motivation in 1947.

The method used by the author, called SCIA (socio-cognitive intelligent approach), has been developed since 2005-2007 in cooperation with Vitalii Smirnov. Its purpose is to evaluate the potential of the persons towards any issue of the organization they belong to. This method has been first tested and validated on more than 70 small or medium sized organizations before being applied in very large organizations. The results have been beyond the forecasts because using this method has lead to strengthen the wellbeing of every individual at work. This wellbeing in turn raised cravings for a better ecological integration of the organization in its own environment. A company is a complex organization having several functions. These functions interact with each other. Analysing these interactions as well as the economic dynamics by the way of the persons belonging to an organization allows to study consequences in the short and medium term.

Any organization must know and evaluate its customers' projects to evaluate the possible risks to be taken. This method allows to compare various projects in a rational and uniform way, to rate them in an objective manner and thus to be able to take essential decisions. The results are quantified graphs based on the collected data as will be shown hereafter.

A project is carried by a whole team and not only by a General Manager or a President. Systematically using such a tool would be a major asset and a pledge of security concerning the R.O.I. (Return On Investment) of projects.

2. Problem statement

2.1 Starting point

What was the real starting point of this research? A customer, the operational President of a branch of a large industrial firm addressed my company Activmanagement with this sentence *"I know, without knowing while knowing what does not go well within my organization, so can you help me to define this problem ?"* This sentence shows the degree of intuition a leader may have while pointing the feebleness of such an illfounded intuition. This inaccuracy will impact the whole organization and each member of this organization will feel more or less uneasy because of this blur which will prevent a clear definition of the tasks to be achieved. To identify this blur, to clarify it leads to release energies and brings wellbeing in all the tasks to be achieved. On the contrary, if nothing is done to clarify it then the blame

is put on external events as the alleged causes of this internal inefficiency of the organization.

2.2 Objectives

How is one to solve the internal problems of an organization ("internal" as implied in the term "internal medicine")? An internal problem is a dysfunction of the organization to be overcome, involving several factors all of which are dependent of each other. Improving one of these factors separately often leads to the worsening of an other one. (For example: improving the cash-flow by reducing stocks often leads directly to a degradation of the service to customers by lengthening the deadlines).

In studying this problem the author arrived at the conclusion that the evil of the organization relies in the elements constituting this organization, namely the place of people in the organization and their individual feelings, more than in the quality of management or the figures collected by the way of an audit. Analysing the persons in the context of the organization leads the author to raise the questions of the wellbeing at work. This wellbeing is related to the satisfaction of the person in his or her job. How then can we make the employees satisfied, proud of themselves? Which is the right place of an employee in an organization, which is the right job for this particular person considering his or her personal abilities ?

2.3 Specifications

Specifications were laid down on this basis. The following constraints were drawn up in order to diagnose the causes of "discomfort" in the organization:

– identification of the three principal disturbing factors;

– undeniable results to be shown to the Board as well as to the employees and Unions;

– duration of the investigation: one week.

3. Research questions

3.1 Major problem

Can one equate a human organization with a living organism? If so, how should it be studied?

3.2 Secondary Problematic

What tools are suitable to objectifie the reality of a human organization?

3.3 What method is to be used ?

How to diagnose and not to audit? (A diagnosis must be rapid, adaptative, following a medical method. It may be later on confirmed by an audit. An audit is comprehensive but its results are given ex- post).

4. Purpose of the study

The purpose of the study is to detect flaws and internal problems of an organization while respecting the people inside the organization.

5. Research methods

5.1 Method

No science can be built without definition and without method. First of all let us define the term "satisfaction": Satisfaction is the result of an effort. Which method should be used in this case? The answer is given by the analysis of the subject in itself and by its objective: human satisfaction. The method used must therefore take into account the attitude of people, through their own reactions but also through their inner personal feelings (such as an ability to fall asleep easily, to smile, to communicate without aggression etc.). Being part of a group every person is assessing the socio-cognitive potential of this group. This potential becomes the key to interpret the group's reactions to any topic discussed.

So far this method provides in return a "human ecology" because the group's progresses influence in return every member of the group. Ecology[1]: science studying organisms in their environment and the interactions between them.

5.2 Tool

We have developed a set of tools which is used to measure all the key points of an organization which suffers from internal problems. The obtained results are quantitative. They are shown without any comments or judgment. The tool is a set of more than 4 000 programs. 75Mbytes, enabling to cross-analyse any set of persons in an organization with multidimensional statistical analysis. The point is all data are gathered among employees who have to participate and feed the database in order to be involved. This participation motivates and already creates a good dynamic. Through the analysis and thanks to mean and variance all outlier points can be removed. The computer allows all types of combination from simple analysis to strategic positioning of people in the organization predicting the way each subgroup will behave and interact with others. It is a powerful tool for human resources who seek the right place for the right person in the right job (which is a most difficult problem).

In parallel a correlation can be observed between the organization's results and its own structure (own in terms of real adequacy of people in their job rather than a presentation of an organizational chart).

5.3 Codes and computers

Software are written in language oriented object on web servers in order to be available all over the world. Computers are just a tool, and do not replace the consultancy, because human personal interviews or observations can't be replaced

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[1] Ecology science developped by Ernst Haeckel, German biologist in 1866.

by a computer. The human contact is mandatory, this creates already a tremendous hope for a restructuring plan. More than that consultants can capture all informal information, and detect what's wrong in atmosphere not according to their own feelings but with a set of questions they have to answer everyday. Once more the application of statistical analysis provides an objective report of the present situation of this organization. We have also been using software such as Iramuteq[2] and DtmVic[3].

6. Findings

6.1 Organization seen as a living organism

Argue by analogies: what is a living organism? Every living organism is born, grows and dies. A living organism is composed of several systems interacting with each other. The simplest organism is unicellular and has got a membrane separating it from the outside world. It absorbs, transforms and rejects outside material as a simple commercial firm will operate. The most complex organization is the human being who has got several systems: nervous system, blood system, respiratory system, digestive system, lymphatic system …

Companies can be compared by analogy to living organisms: as a matter of fact they are born, they grow and eventually disappear. The most basic commercial companies buy to resell goods. They are comparable to unicellular. The more complex as Google, IBM, sell services, information. What is information nowadays?

Associations, clubs and other groups of people have a common goal and are organized as ants in order to achieve this goal. Nevertheless this is again systems interacting with each other, which are compounds of elements (human beings).

Our demonstration consists of measuring the coherence between the different players in the studied organization and of showing that the higher coherence matches the greatest efficiency of the organization.

Consistency is addressed using different measures and tools to understand the problematics of organizations, efficiency is measured by the ability to achieve the goal, namely an increase in earnings for companies, success in competitions for a football club and so on...

Let's review the various tools developed and see how we can measure the coherence obtained. At the same time, if the consistency is improved let us check if the results are also improving.

In our studies we noticed that the more the group increases its cohesion, the greater is the feeling of wellbeing for every individual. This "wellbeing" is actually a real satisfaction relying on a given effort because if the goal is reached, it is because a certain amount of work has been done. For example Porsche is a firm whose employees are proud of the quality of their vehicles, and it is also the most profitable car manufacturer. To win a competition is really satisfying because there has been an actual training and effort to achieve the goal. If the winning team is largely superior to the losing one, the resulting satisfaction will be smaller than if both teams are of the same level.

6.2 Convergence of views

The method allows to detect if the employees' vision differs from the leaders'vision and if the various leaders' vision differs from the shareholders' one. Here is how: Q1 is a question to employees of level n-3 by example with a quantification from 1 to 7. Each one can answer the question by indicating a number between 1 and 7. After all the responses have been collected, average and variance are calculated. The result may be 2.3 on average with a variance of 1.2. The same question asked to n-2 range of managers can lead to an average of 4.4 for evaluation with a variance of 0.3.

What matters are not the numbers but the difference between these figures which actually measures a sort of disagreement between two groups of people. (By example some will evaluate that there is enough cleanliness in the company because of an evaluation of 2.3 which seems satisfactory to them whereas for the others the level should be up to 4.4, what is important is the feeling of the different groups, but a feeling measured statistically with a common basis of intuitive evaluation).

Confidence intervals between these two measures do not overlap, thus demonstrating that the visions of management level n-3 and n-2 are different. How then can managers and employees communicate? They do not trust each other any-

Illustration 1

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[2] LERASS Laboratoire d'Études et de Recherches Appliquées en Sciences Sociales, Université de Montpellier.

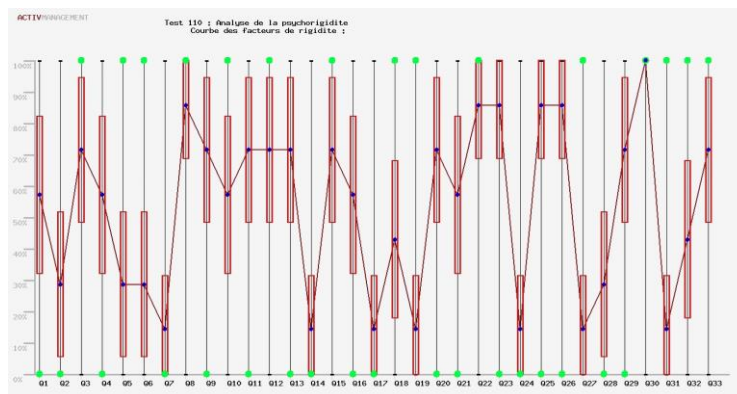[3] From Ludovic Lebart Director of research CNRS Telecom Paris-Tech.

Illustration 2

more. Each has a different vision of the same subject. No agreement or even reconciliation is possible because confidence intervals do not overlap.

Having representing it on a graph (see illustration 1) and showing it to the concerned people has an instantaneous consequence : reconciliation between the people involved. This is possible because no value judgment has been made so everyone can take a step towards the another in his own interest. It is amazing to see how rapidly such a deal is solved when there is no judgment value. Human correction is then made immediately without any intervention as fast as we calculate if we can cross a street when we see a car. This is only an awareness. This human correction is a form of human ecology: being in harmony with one's environment. Here is what I see, this is what others perceive, so I have to correct the shot to be in tune with my environment. Being then in phase allows me to be consistent with myself and feel good.

Illustration 2 is an example of the result obtained by the method developed by Activmanagement. Green dots indicate the best results, average and standard deviations are shown to verify the consistency of responses. Computer analysis then points out the three questions that are most different with respect to the expected one, namely questions Q23, Q15 and Q11. This is the first intrinsic analysis. This analysis is very important because it depends only of the perception of a group of people. Their is no outside comparison just an internal one. The most effective way to progress is to observe ourselves and to measure the improvement we achieve. No need to take any outside reference, which can or can't be reached. It means nothing because we don't have the same context. Once we have done this personal work (or group work) then we can enlarge our view and start understanding others. How can we understand others if we do not understand ourselves first?

The difference could then be compared to the level n-1 or n + 1 if the importance of the issue facing the organization needs it. This is a key point in restructuring an organization:

– act only if needed,

– improve continuously internal level, by a self comparison,

– never put the blame on someone or something else: you are the responsible one,

– start looking around only when you you have done this work (have I reached the top of my improvements?),

If you are doing so, then you will be surprised to see your own attitude changed. You will start asking questions such as: "why do you thing that this should be better ? How can I change it ? Explain me your point of view !..."

6.3 Drawing internal problems in an organization

The problemogram can take into account different components of a disconfort, or internal problems. A ranking based on the importance and frequency allows, starting from the list of all the identified problems, to draw a picture of the problems identified, their occurrence, importance, urgency to draw up a Eisenhower matrix. Here is an example:

List of problems:

Export Taxes, as a major problem occurring every day.

Taxes as well but once a month when reports to administration have to be done.

Unskilled employees, as it seems due to frequently made errors ,

Low quality of parts due to bad tools, or misused tools,

Permanent complain about salaries,

Contracts not well established, without defined terms and conditions,

External dependency of the exchange rate with dollar.

Tableau 1

Name of problems	Occurence	Importance	Urgency	Links with other problems	number
Export taxes	4	1	1	2 ; 4; 5 ; 7	1
taxes	5	7	8	3;4 ;	2
skills	2	3	5	4;7	3
Quality of tools	7	2	7	6	4
Salaries	3	6	4	6	5
Deals	2	8	3	7	6
$ value	1	6	6		7

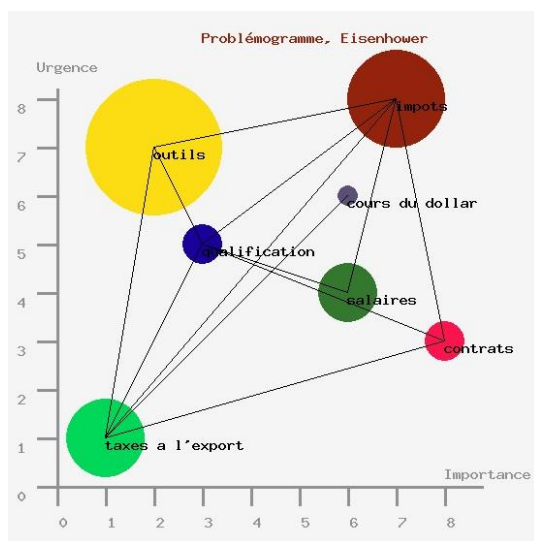This frame can be represented by the following scheme:

Illustration 3

In illustration 3, problems are all represented synthetically taking into account importance, urgency, frequency of occurrence, and above all the links with other problems. We have especially included the links between problems because this representation highlights the places where the nodes are concentrated. Just by counting the number of links of each problem allows to determine which problem has to be solved at first. Adding frequency this leads to concentrate our forces on to the major problem instead of trying to solve everything at once.

Politicians very often want to solve all problems at the same time, instead of sorting them and starting by the key ones.

In the previous example, it becomes clear that the problem 3 of the qualification of people, which is actually a very small problem to overcome, can solve many other problems. Furthermore it is an internal problem. As a second comes dependencies due to tax problems 1 and 2. This problem can be solved by negotiating with the

government to substantially break the deadlock. So the immediate actions to be taken are: first of all, educate and train people, organizing courses, and in the second place negotiate with the administration.

Deadlocks situations are common in business and this is most effective way to find the best strategy. Keeping in mind that recurring problems are the source of a lot of demotivation and inefficiency. This demotivation makes people passive, nervous and could lead to "burnout". Thus we introduce the frequency which shows the degree of nervousness created in the company.

6.4 Detection of motivating forces in organization

The semantic analysis allows to collect center of interests of the people concerned. As a matter of fact according to the subject of free question asked, such as: "what means a goal for you? " analysing the answer in its semantics and form via a statistical analysis provides us subjects which concern most people. According to the groups and subgroups of individuals it is possible to define what topics are to be addressed as major ones. With this knowledge we can focus on subjects which will be well perceived and which will have the best impact.

Once again we see that the consistency of values among different individuals is fundamental. This analysis highlights the groups of people who do not share the same values as the organization.

Example in navy:

It is clear from the following example that there are three categories of staff:

− the command post that has values for the military mission, honor, motherland,

− NCOs,operational positions are concentrated on the profession that is their required, to deal with very sophisticated on board machinery" that exist only on warships,

− and finally sailors, who are people waiting for orders and having respect.
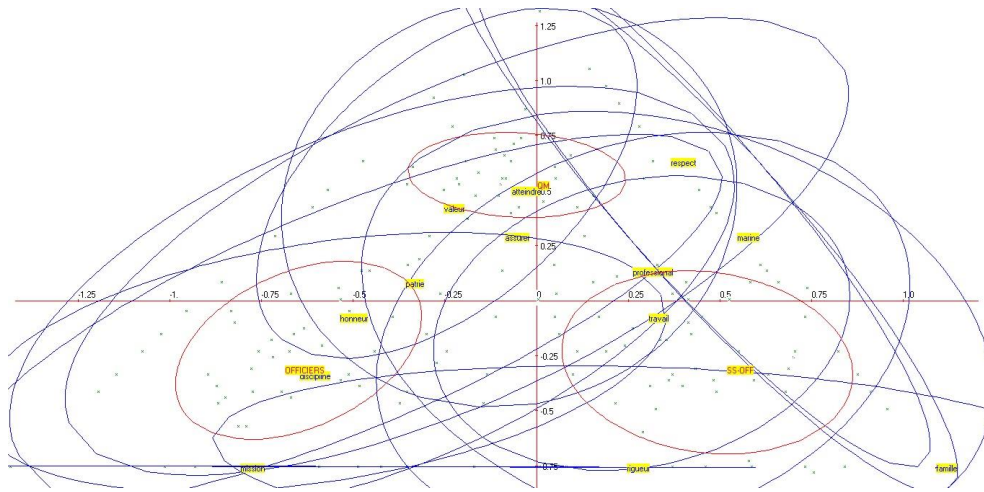
Illustration 4

Communication exists only through discipline and not through the feeling of belonging to a single entity. The energy needed to enforce an order is much higher as it would be if there was only one motivation shared by all, which could be such as to assist ships in distress, or protect a given area in an operational theater.

The explanation given to all the crew enabled to lower tensions on board and carry out orders during training twice times faster.

Three broad categories: Officers, NCOs, Sailors. The words used most frequently are respectively: Honor, Discipline, mission, homeland (Officers) ; professional, work, rigor (NCOs) and finally reaching goal, sure, value, respect (sailors). These three spheres (red on the graph) do not overlap.

6.5 True organizational chart

The official organizational chart rarely reflects reality, it is only a presentation of the so-called authority. A serious concern in an organization is the fact that those who are responsible on paper (ie according to the chart) are not at all informed of what is going on in reality and therefore take wrong decisions and very often sign papers involving their responsabilities without a clear understanding of the issue.

The sociogram is created from a field survey of all participants by asking who are the people you can trust and who are the ones that according to you shoud be distrusted. The square matrix obtained is then translated into a graph (see illustration5). People at the center of communications and those who are isolated or excluded from the community. This doesn't mean that as manager you should be in the middle, in fact you are usually located on the second circle. People in the first circle are key for the communication inside the organization, so be careful when you relocate them to an another job.

Example: The distribution is done on sociogram-4 levels of communication. The number of connections between people then determines the level of social communication. The graphical representation helps to understand the communication nodes in the company.
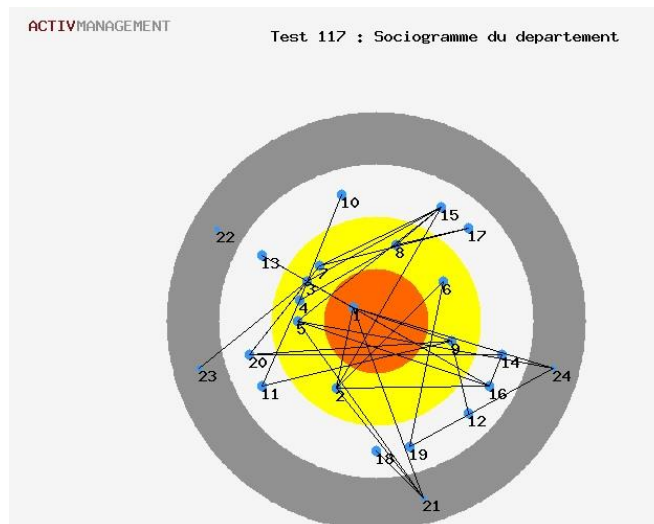

Illustration 5

6.6 Harmonious consistency in organizational growth

Going back eventually to the concept of living organism, let us analyze the growth of the organization and the growth of its internal organs. Over a given time period we compare the different growth systems constituting this organization. If we see an abnormal growth of one part we may identify a strong issue of the organization. For a company knowing that there is value creation we can analyze the growth of input data and compare them with those outputs. If the growth of inputs (purchase of raw materials) is faster than the growth of outputs (results) it becomes obvious that the company is reducing its ability to make profit and goes straight towards difficulties or bankruptcy. This is a predictive analysis. When this process starts there is not any consequences yet on the P&L. Many firms become aware of this fact too late. Moreover if we add intermediate variables such as EBITDA, then we see where and how the value added is created. Again it is often observed that the added value created in production disappears or is at least greatly reduced afterwards.

It is obvious that we have in this type of measurement a simple approach to organizational coherence. Our various tests and measurements corroborate each experiment. This is easily explained by the fact that everyone who feels in tune with the required work is more efficient and less tired. According to Shannon we know that when somebody makes the same gesture for the second time he spends half the time. And with each repetition one gains in efficiency, but if the guidelines change one loses efficiency. At present, following modern approaches, many organizations try to adjust to the market in changing the way they operate instead of rethinking the whole process. This induces a lot of changes which are very unproductive. This loss of efficiency very quickly affects the sense of "wellbeing" and people feel useless.

Illustration 6, shows that the company or organization, although it creates added value (difference between inputs and intermediate variables) subsequently falls afterwards, this added value disappearing, because the results are not as good in terms of growth as intermediate variables. This is generally due to increase of internal expenses (overhead expenses). Intrinsic variables of the company are misused and do not produce the expected recovery effects. An extension of this state of business can only lead to bankruptcy.

Board will explain you that they were aware of this situation and tried to inject capital in the company. All right they did inject money in the organization but either at the wrong place, or without controlling the expected effect. Most of the time they forget the increase of overhead of the company. They should rather have reduced the overhead before injecting new money in the organization.

Once more a complete understanding of the organization is mising, and this is due to the lack of tools. Although the aim of our research is not to enable organizations to make more profit as a priority, it is a side effect because our objective is to reinforce the notion of "wellbeing" or human ecology at all the levels of the organization. This will for sure lead to an increase of financial results.
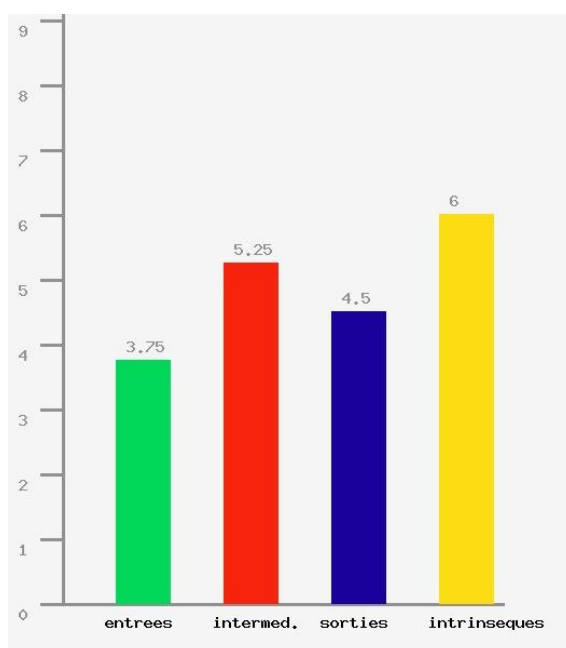

Illustration 6

7. Conclusions

The set of tools developed enables to verify the consistency of results on each individual case. These tools differ from each other and are complementary : semantic analysis, tests, analysis of variations, sociogram, problemogram, always give consistent and convergent results in any analyzed organization. In this sense the approach reveals a certain reality and characterizes it. This is possible because all existing phonomenons are governed by laws, already known or yet unknown.

The tool we have developed though still incomplete can significantly improve the results of the organizations. But even more it provides immediate solutions to improve the employee's life. The presentation of the results in a quantitative way without any value judgment allows acceptance of results and immediate acceptance of needed corrections. This last point makes our method particularly efficient and encourages participants to implement the recommendations by creating a positive dynamic. The release obtained by the intervention of consultants via questionnaires takes place in the space of a week, including their presence at all levels to collect data (rhythms, recording and measurements, investigations ..), There is a before and an after, as in a surgery.

As only three major actions are recommanded, the upcoming response plan is clear and encourages the expected collective participation. But most important is to recreate people's confidence in their work, highlighting their daily actions. Personal development of every person is valued by actual actions, not words, and this gives everyone a sense of wellbeing. As internal tensions diminish, financial results become no more as a simple consequence of the actions taken.

The SCIA method allows to highlight the link between human potential and the economic potential of an organization, which is only a reflection of a community's efforts.

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