

The elusive Euro-manager

Some business schools claim a distinctively European style of management is emerging. That is wishful thinking

MANAGEMENT FOCUS

expose students to different corporate and national cultures while on the course, which includes two operational assignments within the company. To promote executive mobility, the European Round-table of industrialists, an association of 40 or so of Europe's biggest companies, arranges for its members to swap managers for short periods. It has commissioned a study of European management from ESC Lyon, a French business school. Scaptes suspect that the notion of



Not has nationalism ceased to influence the choice of senior managers. Daniel Goedevert, a talented Frenchman, narrowly missed the top spot at Volkswagen, a German car maker, last year because the company's shareholders reportedly felt it should be run by a German. May, Stephen Wallis, the British boss of paper group, was replaced by a Frenchman after he fell out with the group's dominant French shareholder. Even if they are pan-European, many companies remain wary of shifting managers from one country to another. Ronald Singer, the chief executive of Jamona, a paper-products group that controls 15 companies in 12 European countries, says that, in spite of all the talk of Euro-managers, he expects the group's subsidiaries will continue to be managed largely by locals who know their markets inside out. Those firms that are best at producing border-hopping executives in Europe will be the ones that have had practice elsewhere. Consider Whirlpool, an American white-goods manufacturer with sizeable European operations. It uses specific projects to bring cross-border and cross-national teams together, and it encourages its executives to move, not just between countries but between continents. Its European management team, presently including, among others, an Indian and a South African.

In fact, if they exist, Euro-managers are more likely to be found inside America than in Europe.

These "foreigners" have often developed pan-European strategies ahead of local rivals. Some have thrived on the challenge. J. Ignacio Lopez de Arriortua was so good at cutting costs at GM Europe that the ailing car giant has sniped the Spanish to Detroit to shake up its worldwide purchasing operation. German-born Eckhard Pfeiffer built his reputation at Compaq in Europe and now runs the American computer firm.

Many European companies complain of a shortage of executives like Messrs Lopez de Arriortua and Pfeiffer, who are capable of implementing a transnational strategy. They may have only themselves to blame. Though they pay lip-service to European unity, many companies are still reluctant to promote non-nationalists to the top of the corporate ladder. French headhunter recruits a German manager to run Philips, the notion of Euro-management will remain more of a myth than reality.

Frank Bourgeois of ESC Lyon points out that European countries do not even have the same definition of a manager. Whereas in Britain the term is all-embracing, in Italy, say, it is defined more precisely: "quadri" refers to middle-ranking managers and "dirigenti" to senior ones. In France, "cadres" from the country's top schools form an intellectual elite which dominates the hierarchy of most big French firms. Mr Rameau notes that management styles differ even within countries: "A manager in Milan and one in Palermo are two different animals."

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face with the single market, a growing number of European firms—including Rhone-Poulenc, a French chemicals company, and Henkel, a German one—have been "Europeanising" their personnel strategies. Headhunters—and some of Europe's business schools—say such firms are increasingly looking for executives who not only know how to order in foreign restaurants, but are also trilingual and can handle a variety of jobs anywhere in Europe.

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W HEN Philips, the Dutch electronics giant, needed a new boss to run its London-based recording subsidiary, it picked Alain Levy, a Frenchman. And when CMB Packaging, an Anglo-French firm, decided to oust its French chief executive, it replaced him with a German-born American, Jürgen Hintz. Some management pundits think Messrs Levy and Hintz are part of a rapidly growing band of managers, whose training and background make them ideally suited to running complex, cross-border European businesses.

Sydney Tjimsra and Kenneth Casler of EAP, a Paris business school, are among those who believe that a distinctive style of European management is gradually emerging. They argue that whereas the tried and tested American model of management concentrates on finance and

marketing, and the Japanese one on quality and just-in-time production, Europe's version emphasises "softer" people skills. These include the ability to form a common vision in culturally diverse organisations and to help promote collaboration across borders.

Surely such skills are already the hallmark of top managers at most multinational, not just European ones? The difference, say Messrs Tjimsra and Casler, is that in American and Japanese firms these abilities are limited to a small number of expatriate managers, many of whom will never make it to the boardroom. They reckon that in Europe, where the number of intra-European mergers and alliances has risen sharply in recent years, so-called "Euro-managers" will be needed in large numbers to manage pan-European strategies.

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