For a Dialogue Between Effectivenesses

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Introduction

The quest for effectiveness, to some respects, has a similar function for management as the quest for Truth in philosophy. Like philosophy about each one's path towards Truth, management theories cannot tell how to be effective in whatever situation. But they may help managers, facing their singular situation, to find their own ways towards collective effectiveness. To this purpose, one important role of theory is to transcend our routines or immediate tendencies and show new "possibles" that would otherwise not be thought of. However, as we are heading towards effectiveness, the scope of possibilities considered is usually bordered by our preconception of what effectiveness is or should be. Hence, contribution of theory is not necessarily to precise and monitor effectiveness. On the contrary, it may be to *broaden* conceptions of effectiveness, in order to enrich the variety of strategies managers can build.

To many of us, effectiveness seems an obvious concept leading to best – or satisfying – answers rather than to questions. Especially in the management field, the meaning looks clear: organizational effectiveness evaluates the closeness of achieved results to the objectives. And we often add, with the least possible resources. In other words, we have built an ideal picture of ends and means for an activity; then effectiveness qualifies to what degree the actual unfolding conforms to initial image. It follows that the useful issue is how to be more effective, not what is effectiveness.

And yet, here is that philosophy shows that alternative conceptions of effectiveness also exist. For instance, as it will be shown, one indispensable concept to our thinking of effectiveness is the

reference to a model whereas the model concept does not even exists in the Chinese tradition. And despite of this, the Chinese tradition is all but inconsistent.

We feel that such differences are not to be classified as one cultural odd to which management would have to adapt (in order to enhance effectiveness). It may be as fruitful, and as respectful to otherness, not only to differentiate management in function of cultural differences, but also to consider alternative thoughts on effectiveness as opportunities to initiate new theoretical thinking or to design new ways of managing. Meeting other traditions of thinking and of acting might not only impel us to *adapt* but may bring real enrichments in the core of the theory.

Thus confronting our conception of effectiveness to other traditions (not best or least but different) may be an opportunity to broaden and enrich *our* reflection. Of course, our aim is not to lower Western thinking but to suggest new paths, to raise questions that are no longer asked. On this purpose, we have to travel outside of our usual insights. And from this point of observation, on one side, will appear more clearly what we are unconsciously taking for granted. On the other side we may discover new ways of thinking effectiveness.

The travel will begin in Occident. We will ask what Western management theorists mean by effectiveness. Here despite the rich variety of answers and controversies, and despite a widening move of the thoughts, we will find that mainstream approaches have remained centered upon five major common options. Then, and thanks to the works of F. Jullien (1996), we will be able to trace back those options from the most influential Greek philosophy and to contrast them to Chinese tradition of thought. Chinese choices on the five previous options are quite opposite. Thus their conception of effectiveness will be presented as a figure of otherness, as a clue indicating the possibilities of other thoughts. Thirdly, we will have to illustrate that this other conception may translate into effective strategy and control, with examples essentially in Chinese-led firms. We will precise that if this thought is otherwise, it is not totally strange for us because several approaches in management theory are moving in the same direction.

Part 1 The Western management of effectiveness

We may view the evolution of Western conception of effectiveness as an insight anchored with the first management theorists, constituting an original pole from which many other theories have developed. The interest of this image is to underline that some principles were originally set and have been maintained in most subsequent notions of effectiveness. Only a few uncommon theories have challenged those principles, thus suggesting the possibility of alternate conceptions of effectiveness.

1-1 The classical school : five options have been set

In the realm of business organizations, the emphasis on the effectiveness concept certainly originates with the classical school of management. Our trip is thus starting there, where indeed effectiveness, or more precisely efficiency, lies in the core of the theories. Effectiveness is said no more to be left to the workers' willingness and has to be built into the system[1]. So, at the outset of

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[1] See for instance the many arguments of F.W. Taylor against the "management of initiative and incentive" which effects are said to rest on the willingness of the employees. He adds: " *In the past the man has been first; in the future the system must be first* " [1911: 7].

the century, this school aims at elaborating a science of management – or for some author at least a knowledge based on experience – which goal is obviously efficiency optimization. This rigorous knowledge would help to discover the one best way to organize and to work: how things ought to be done. Effectiveness is then said to be maximum when what has to be done is rightly done, by the right person, at the right place and at the right schedule [Emerson, 1908]. Effectiveness is the criterium of rightness, of rationality and leads to progress.

In fact, by examining this classical conception of effectiveness more closely, five striking features start to appear. It seems these authors were unknowingly settling in several options of major importance for Western management thought. In one sense, most of following theories will either enlarge or temper these options, not coming with brand new departures. Even though each theorist draws with his own tint, this five following options look widely shared:

•   **Effectiveness is defined in relation to a theoretical model of functioning**. One example of such an abstract working is the "rational-legal ideal-type" of M. Weber (1947), which is said to be capable of attaining "the highest degree of efficiency". A similar logic lies in Taylor's one best way of functioning. The model of behavior, at which each one ought to be conforming, is again an ideal sequence of tasks, theoretically assuring optimum efficiency. Still, the principles of Fayol are said to be *universally* guiding to efficiency, regardless to singular contingencies, whatever the firm's concrete situation. One important point to note is that, in respect to such models, practice always appears as "downgrading" theory, as a friction in the ideal mechanical working.

•   **Effectiveness qualifies a result**, it evaluates its conformance to objectives. This is the output of the process that is evaluated, and not directly the process itself, nor the ability of the process to effectively unfold in other environments or to adapt. Thus effectiveness monitors only what actually happened, never virtual outcomes such as the strategic position of the organization which promises to harvest future good results. More specifically, in this school of thought, the result is expressed in terms of production, evaluated in physical or economic parameters. Anyway, productivity and profit are obvious goals which have not to be questioned [Perrow, 1970].

•   **Effectiveness comes from human acting, and can be ascribed** to a person or a group. Effectiveness, in order to be enhanced, has to be attributed and sanctioned. Individualizing and rewarding efficiency are central features for example in F.W. Taylor's or H. Emerson's systems [1908]. For these authors[2], efficiency even seems the first expectancy from employees.

•   **Time is a neutral parameter, not a driver, of effectiveness**. Time delimits the period during which effectiveness is monitored, but does not directly affect effectiveness. (The importance of this remark will appear later.)

•   **The pursuit of efficiency is *per se* desirable**. Ethical wonderings about the goodness of efficiency are left unraised[3]. The pursuit may even appear imperative since efficiency is said to lead to better and higher quality, higher wages and larger profit (Taylor, 1912), and even to greater national prosperity [Taylor, 1911].

1-2 *Simon's approach: an example of enlargement maintaining the five options*

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[2] For other authors, it is worth to notice that loyalty seems of similar importance.
[3] On this point, M. Weber (1947) appears indisputably as a noticeable exception.

An interesting enlargement of this conception of effectiveness, which however maintains most of the aforesaid options, is introduced by H.A. Simon [1947]. We must not forget that H.A. Simon does not reject previous insights. On the contrary, he commends their rigor. Only, he restrains their scope of validity to the sole "programmable" decisions.

In his approach, organizational effectiveness, as an aim, remains in the core of the administrative science. It stands as a criterion to qualify of "good" or "correct" administrative behavior. Again is first set a theoretical model of decision-making and behaving, which squares to maximum effectiveness[4]. And again, these are the contingencies of practice which forces at a degradation from the model, and that we have to minimize[5]. But, for H.A. Simon, in certain circumstances, these contingencies are now irreducible. The bounds of rationality render optimization, *in practice*, out of reach. This does not mean that theoretical optimization no longer shines at the horizon: practice *should* still try to come closer to it, even though, in fact, managers are generally content with satisfying decisions.

Thus H.A. Simon broadens and enriches the classical conception, but keeps its central options: the theory / practice distinction, the focus on results, mainly in their economical side, the ascription to a person, time neutrality. Disconnection with ethics is more subtle but no less clear. He acknowledges that every decision possesses ethical contents but he decides to strictly distinguish facts to values[6]. The purpose of administrative science limits then to the judgement of the *factual* relation between decisions and the aim they intend to. Decisions have to take organizational objectives as "ethical premises". The quest for effectiveness has not to be ethically justified, it is said to come afterwards and independently of ethics, which cannot belong to (administrative) science.

1-3 Social and political considerations : target changes but remains the model

Other steps away from mainstream classical approaches lead towards consideration of social and political facets. Arguing that limiting effectiveness to its technical and economical aspects is a too narrow perspective, many authors have tried to add social and political concerns. However, from our perspective, it seems that these theories are indeed changing the references and values to judge effectiveness, but not the way to put effectiveness into question, not the way to think at effective acting.

These theories may much or few enlarge the preceding pole. At first the human relation school viewed social concern simply as a supplementary driver of effectiveness via increase of motivation and participation. In the same way, M. Crozier (1963) demonstrated that social games prevent the direction from steering towards effectiveness. A farther move is set when social or political aims *pertain* to effectiveness criteria. Those criteria may then become multiple and conflicting [Cyert & March 1963, Etzioni 1964, Perrow 1970]. Distance is even greater with more radical approaches

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[4] The logic is said "rigorously analogous" to utility maximization for homo economicus. The effectiveness of one behavior is expressed as the ratio of the results of a behavior to the maximum results one can expect from alternative administrative behaviors.

[5] Those limitations of practice, in regard to theory, are: the skills, uses and reflexes of individuals, their values and objectives, and the scope of their knowledge of the situation.

[6] He bases on logical positivism to argue the relevance of this distinction. In this philosophical stream, very influent at that time, ethical propositions have to be separated from empirical ones, for their meanings refer more to emotions than to cognition.

considering that social and political aims are the right, or ultimate, criteria of effectiveness. In this case, technical and economic goals should not be anything other than means.

However, as we have said, if the criteria are more socially and politically weighted, the five preceding options to think on effectiveness roughly remain: the pole has enlarged, not split into several centers. The way of questioning effectiveness has not shifted: *What is effectiveness?* It still qualifies the result of actions, in regard to a fore-given, theoretical model[7]. *Who is effective?* This still remains a central question, and not only for sanction. In these approaches, the *who* should be treated as a subject, in his uniqueness (cf. E. Mayo, 1949); and this question even doubles in the political point of view with the question of *for who*: who benefits from the result of effectiveness? *Is effectiveness good per se?* Here, this stream indisputably differs from previous ones. However, if ethical concerns are raised, it generally is *against* effectiveness not *into* the search for effectiveness. Alternative values are set against economical ones in a debate appearing more political than ethical. In fact room is very seldom left to an individual concern of how to act.

1-4 *Enlarging in many directions*

We could go on this brief survey with other streams of research, most of them still accepting the five options or only marginally departing from them. Amongst the most typical examples certainly comes the wide cybernetic stream, including the management control classical framework. The aim of the management control function is said rightly to assure that resources are obtained and used with efficiency and effectiveness [Anthony, 1965]. And here anew, effectiveness is searched through a process that starts with a modelization of objectives and means, which stresses results and which individualizes performance retribution. Time, given rhythm by reporting schedules, again does not directly affect performance (except for credit or delays unconformance). Finally, ethical concerns may not be absent, but they stay outside the framework: what people are held responsible for? For being effective and efficient, seems to answer management control through "responsibility accounting" or accountability's concept.

Some other approaches will change the way that one of the options is considered, without shaking the whole construct. For example, contingency theories will promote a diversity of models, depending on situations, and will unstress the individualized ascription of effectiveness. Some other times, the relativity of effectiveness evaluation will also be showed (e.g. Mélèse 1967, Pinardon 1989), but the strategy for thinking on effectiveness will not be challenged.

But instead of completing the listing, we had rather cited some uncommon approaches definitely outside the classical pole.

1-5 *Few theories outside the pole : the possibility of other insights*

These uncommon conceptions of effectiveness may be seen as **enigmas suggesting that the classical pole, so useful it still is, is yet not sufficient to encompass every situations.** Those puzzling cases may be invitations to open up our minds to other views. They also serve as signs that a dialogue seem possible with other thoughts, since they begin to permeate our conceptions (their growing influence being one more ground for reviewing our conception of effectiveness).

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[7] To some extents, an important part of the proposed frameworks consist in reintroducing into the theoretical model what was previously considered as the degradation of practice in regard to theory. Once gain, we may see this as an enlargement from an original center, which extends the core options.

We will simply take two examples, among the most famous, so as to show how queer they appear to us, and how enriching they may be.

C. Argyris and D.A. Schön (1978) consider that effectiveness (i.e. "the achievement of espoused purposes and norms") is an appropriate criterion only in some precise situations (where single-loop learning applies, that is the most simplistic situations). In other cases, they rather propose an "organizational dialectic" where by "organizational" reflection and inquiry, a desirable theory of action may emerge. In their framework, there is no fore-given, theoretical model: the theory of action should emerge from experience of acting[8]. The result seems less important than the process since the result will be soon challenged. The passage of time is of great importance for it enables experience, the learning loops and the evolution of norms and values. The question of *who ?* is subordinated to organizational phenomena[9]. Thus, on those four points, effectiveness – or what stands for effectiveness – is founded on grounds differing from previous, mainstream core options.

In Weick's (1979) world too, effectiveness gets an unusual light. Firstly, processes, instead of results, start to play the most important role. Secondly, time also is given a much influential play, since evaluations of effectiveness depend on memory: on what interpreted stream of experience has been retained. Thirdly, interlocked behaviors and relationships – not people – are at the origin of outcomes[10]. Thus trying to ascribe a result to an author is vain, since *"any action ramifies and has far-reaching consequences"* (p.244), sometimes remote, delayed and "deviation-amplified". Even the ability of a model for constituting a reference as to measure performance is challenged: any model would be selected through an interpretation process that is an artificial, sometimes arbitrary, selection among equivocal signs! All what would anywhere else be called degradation or loss to the model here constitutes the only reality of organizational life. Models are used for sense-making rather than for goal actualizing, rather than effectiveness defining[11].

Hence, since the classical school, the Western conception of effectiveness has enlarged, differentiated, in a world enriched in several directions. But these elaborations seem to have built on the same core of five fundamental propositions.

Part 2 - Philosophical origins

Except for the last insights, the classical way of conceiving effectiveness looks so widely shared and appears so familiar to us, that we should certainly seek its origin formerly. Thus going on our trip earlier and deeper in the history of thought, trying to go back up to the sources of the effectiveness concept. According to F. Jullien (1996), the latter are to be sought in the Greek

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[8] We may note that this was not the case with previous works of C. Argyris. For example, the aim of C. Argyris (*Integrating the individual and the organisation*, Wiley, 1964) is to propose an ideal model of structure, better integrating energies and skills of people.

[9] This is one of the thorniest difficulties of the organizational learning concept: to be able to bridge the gap between individual and organizational learning, without reifying the organization.

[10] See for example " *The danger of inappropriate intervention is especially likely if members mistakenly assume that people, rather relationships, are the critical control points in an organization.* " (p.244).

[11] Cf. the concept of "historicizing" (p.195-200) or " t*he person who makes decisions about what the goal of the company should be next year is less important to continued functioning than are the persons who decide what is known by the company, what should be done next in terms of selection and enactment, and whether opposing decisions are made for selection and enactment.* " (p.246).

philosophy. In particular, A. Lui and Y. Pesqueux (1997) point out the influence of Aristotle on management, notably with his postulate of a finalized nature[12].

It will then be interesting to contrast these origins with another tradition of thought, the Chinese one. This intends to show that a different conception of effectiveness may be founded on quite different options, thus avoiding these very concept we fell impossible to think without.

2-1 The Western effectiveness : a model-based thinking

How do the ancient Greeks think on effectiveness? At first, they seem to invariably refer to a model. As F. Jullien (1996) illustrates it: the Platonic demiurge sets its "imperishable being" into paradigm, the craftsman of the city takes model on the "Great Worker", or even the orator "keeps his eye fixed on ideal". Each time, a model is set first in reference to which effectiveness may be assessed.

This reference is so anchored in our mind that we no longer notice we think and construct thanks to models. As Jullien warns: " [we] have our eyes fixed to the model that we have conceived that we project to the world and to which we make an operating plan, we choose to intervene in the world and to give form to reality " [p.11]. What's more, technical successes, brought about with this model-based thinking, combined with the will of "mastering nature", have legitimized this strategy of thought.

This reference to a model leads to a distinction between theory (which pertains to the model) and practice. Practice, through actions, seeks results in conformance to the theoretical model of aims. This implies some forms of deliberation. Less idealistic comes then Aristotle's concept of "prudence" (*phronesis*) which refers to the concern of judiciously filling the gap between theory and practice[13]: " *the good deliberation consists in exact matching, concerning our interests, between the goal, the means, the circumstances.* "[14]

The link between the model and the result of actions is also mediated by the concept of occasion (*kairos*): " *the favorable moment which is offered by chance and that the art enables to exploit* " [Jullien, 1996: 79].

The link between those factors in the effectiveness play may be schematized with the following diagram:

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[12] This postulate translates in nowadays context that "we live in firm to fulfill objectives" [Pesqueux & Lui, 1997: 9].

[13] Note that Aristotle is also conscious that the means and the ends can be not matched: ´ because it happens that the goal is good, but, in the action, we fail the mean to reach it, some times, we have appropriate means, but we have set a bad end " [quoted by Jullien, 1996 : 49].
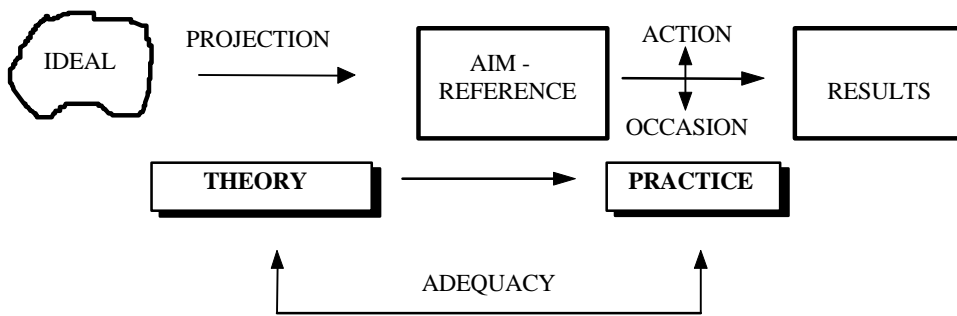
[14] Éthique de Nicomaque, Book VI, Chap 9, p.164.

Figure 1 - the model of effectiveness

Still now, Western conception of effectiveness is strongly rooted in a thought based on models, inherited from the Greeks. As F. Jullien points out: " *those who, today, about management, are in quest of new models could not do without. Even if it means reconfining one of the coupling terms, or even it means driving to the limit (a borderline position can be a fiction but sufficiently solid nevertheless for implying useful means). We can work on again this framework, and redefine one of the borders – but difficult to go beyond the bounds* " [1996: 46].

Indeed, in the Greek model already lied most of the major options formerly referred to. First, one starts with an ideal theoretical model that will assess effectiveness. Second, for this, theoretical realm is more immutable than transforming; and results, not processes, have to be compared to the model. Third, those results come from actions, which can be ascribed to persons. Fourth, and even if the time affects occasions, it does not play as a driver of effectiveness. Indeed, it may transform into ''opportune time'', but it is a time of luckyness, not directly controllable by the would-be effective action[15]. The only exception comes with the ethical concern. Aristotle concept of prudence and *praxis* are undoubtedly referring to ethics. An interesting investigation would then search the period we lost this reference to connection to ethics.

We have emphasized the quasi-impossibility to escape from our reference to models. This may however become possible whenever we start from other philosophical traditions. We will go on following Jullien in his studies on Chinese and Western thoughts, encountering other philosophers and conceptions of effectiveness.

2-2 An another vision of the effectiveness

In the Chinese thought, there is no one model (framework), one ideal, theoretical situation by which effective action can be derived but rather a transformation flow in which effectiveness consists of taking up one position in order to make its forces exert on our advantage. Thus, rather those of model, of occasion, of action and of results, the key concepts, in the Chinese vision, are: the potential of situation, the variation of circumstances, the calculation and the polarity.

The Chinese thought of effectiveness is not based on the model but on what Jullien calls the potential of the situation. Two notions emerge from it: on the one hand, the potential (shi) involved in the situation and " that we can turn it into our favor ", and on the other hand, this same situation

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[15]   Note that to overcome uncontrollability, time is foreseen through the reasoning and the conjectures [Jullien, 1996 :86]. In doing so, we once again use a kind of model.

or configuration (xing), " as it actualizes and takes form under our very eyes (as in terms of power balance) " [Jullien, 1996: 29].

But since the configuration (situation) is seen as reality, we can call it, the potential of reality. It results that the potential the most profitable is included in reality. For the Chinese strategist, the "real" effectiveness lies in taking benefit from the potential of the reality. Thus, effectiveness is in the reality. It is the latter that is effective and not the action on the reality.

With this potential of the situation intervenes another important notion: time. For the Chinese thought, time is neither chronic nor periodical but strategic because it goes through and is regulated. So it acts on and contributes to effectiveness. The taoïst no action (wu- wei) illustrates quite well the utilization of this time. No action does not mean inaction, inactivity nor does exclude effect. Because as the time unfolds, and we let it act on the reality progressively, we will turn an unfavorable situation in our favor. Thus, time is always determining factor for the Chinese.

Moreover, one difficulty for Western readers is that the Chinese thought has not conceptualized[16] these notions (potential and situation) but describes and explains them through images. As we can read it in the Art of War [Sunzi, chap. 5, Energy: 128]: " the one who counts on the situation uses his means in the fight as we roll logs or stones. But, it is in the nature of logs and of stones to be in balance on a firm ground and mobile on an unstable ground. If they are square, they stop, if they are round, they roll.

Thus, the potential of troops which, in the fight, are managed with deftness, can be compared to that of round stones which go down in rolling from the top of the mountain ".

In this case, effectiveness consists in " turning a situation to best account, exactly as when we roll a ball along a steep slope. The strength provided is minimal but the results are enormous " [Sunzi, chap 5: 129].

This potential of situation leans on and exploits through three interdependent elements: the calculation (evaluation), the polarity, and the circumstances.

a) The (preliminary) calculation of the situation

Before fighting, the Chinese strategist calculates (evaluates in advance) the strength and the factors which are favorable to one of the two sides. The first chapter of the Art of War starts with the five principal factors that a general has to calculate with in order to win a battle: the moral influence of troops, the atmospheric and topographic conditions, the commandment and the organizational disposal. These five factors have to be appreciated through seven questions: 1- Which government has the greatest moral influence, 2- which chief commandment is the most competent, 3-which army disposes of topographic and meteorological conditions the most favorable, 4- in which side, rules are the most respected and the instructions the best executed, 5- which troops are the strongest, 6- which army disposes of officers and men the best trained, 7- and which army gives compensations and punishments with the most discernment.

b) The polarity

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[16] The Chinese thought does not explain concept because it is not preoccupied by any theoretical truth. That is to say, the Chinese thought is not based on the conviction that reality can be described theoretically [Cheng, 1997a]. For the Chinese, thought and reality form a whole.

During this evaluation, we have to take into account the principle of polarity: " what is profitable for my adversary is not profitable for me, and vice versa ". But this notion does not mean a linear polarity in which exists a positive/negative scale. One situation remains favorable only for one moment because it can be transformed in unfavorable situation.

Sunzi emphasizes this notion when he says: " we have to let a way out to the enemy " in order to prevent the enemy from fighting to death. With no more way out, there is no choice other than to win or to die, what strengthens and may make of the weaker enemy winner.

The yin/yang which shows the complementary and the duality, the relativity of everything to everything, symbolizes this concept of polarity[17]. As was said in the Art of War, (Sunzi:152): "...if I wish to take advantage on enemy, I must not see only the advantage that I will find, but I firstly must consider the ways by which he can harm me if I act like this. The advantage and the disadvantage have each other mutual action ".

Besides, the Chinese thought apprehends reality in terms of process, which is in perpetual transformation. It means that the interaction is changing, dynamic and evolutive. For that, Chow Hou Wee (1994: 90), inspired by the Art of War, emphasizes the principle of relative superiority at the point of contact when he talks about military combat: " In war, it does not matter how large a force you have at home or how rigorous the troops have been trained (although better training would enhance their combat-readiness and effectiveness). Rather what matters most is what happens at the point of contact – that is, the side who can gain relative superiority at the point of contact will win ".

c) The variation of circumstances

We have seen that the art of Chinese strategy begins with a precise evaluation of the power balance in stake in order to lean on favorable factors involved in the situation. He after exploits these factors continuously along the encountered circumstances.

So, for the Chinese thought, effectiveness is not only a matter of reaction, of adaptation in function of circumstances but also, of taking benefits created by the circumstances in the view of attaining the hoped effect. The variation of circumstances creates the potential instead of making " the project failed " [Jullien, 1996].

Thus, seen from this angle, the circumstance is not what is " hold around " (etymologically circum-stare) as a secondary importance. The variation of circumstances gives the idea of strategic configuration.

Finally, we can schematize the interdependence of these three points in the following way :
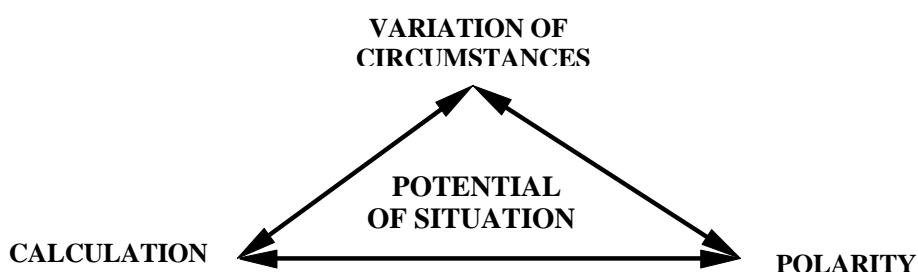

Fig. 2 - The creation of potential of situation

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[17] Some Chinese characters can also show this relative polarity. For example, the Chinese word, "crisis" is composed of danger and opportunity as well.

This vision of effectiveness does not conceive the relation between means and end. This vision rather implies a relation of condition to consequence which links theory to practice. This " indissoluble link " is rooted in the Chinese vision of the world [J. Gernet, 1994].

Indeed, the Chinese thought sees reality in terms of process. As Wing-Tsit CHAN (1968: 135) points out : " reality is a continuous process of production and reproduction. This is possible only because there is the interplay of inactivity, decrease, etc, which constitute yin; activity, increase, etc., which constitute yang ".
Because reality is in perpetual transformation, the Chinese strategist does not seek to the model reality but rather focuses his attention on the path of things in order to detect the coherence and to benefit from the evolution [Jullien: 28]. So, the Chinese strategist relies more on the progress of process for attaining the hoped effect than on tools.

This logic of process, that Jullien calls *"processivity thinking"* (1996: 46), allows us to introduce a management of effectivity.

Part 3 - The Eastern management of effectivity

In this part, we will define the concept of effectivity. The latter encompasses efficiency's concept. We will then interpret the implications of such thinking in term of strategy and control. Finally, we will give examples of this way of thinking with Asian firms, especially Chinese led-firms.

3-1 Definition of effectivity

The effectivity or the affect : discreet and indirect effectiveness
From the previous part, a second conception of effectiveness begins to be drawn. On the contrary to Western effectiveness which draws on results and values effect; this alternate conception is not aimed. It is its inner ability to transform, *i.e* to affect which imports, as we would say an effective medicine. Hence, as Jullien, we will use another word *effectivity*, to write about the virtue affecting and not to print an effect.
In resuming the Chinese conception, Jullien defines the effect as " the operating dimension of the effect, it is what leads to effect and give him effective: affect is the effect in progress, such as it derives from the engaged process, coming from a logic not of production but of advent " [1996: 145].

F. Jullien adds: " the effect is not to be sought, directly and voluntarily, but will come naturally from the engaged process ".
All strategy will consist, in return, in knowing the implication of the process from upstream, from where the effect will then consequently comes from itself. Because the effectiveness is related to the consequence, and thus involves, for succeeding, to go through a process which is the condition, this effectiveness is indirect compared to the envisaged goal " [1996: 146].
Therefore, what the Chinese thought talks about effectiveness, we rather call it efficiency.

The Chinese efficiency as the image of the water

In Chinese thought, efficiency is defined through the image of the water because as the water, efficiency represents the fluidity of the transformation. As Jullien (1996) reminds us: " to the

efficiency return the fluidity and the continuity of process: efficiency opens the effectiveness on a capacity which does not need the concrete to operate; by proceeding from a whole economy, efficiency does without goal and effort; and because, instead of being intentional, efficiency ensues from involved conditions, efficiency could not suddenly be lacked or deviate " [p.158].

The difference between effectiveness and efficiency, remarks Jullien, " would be that between the sun and the remedy (the sun is said " efficient " cause whereas we say about a remedy that he is effective) " [p.158].

For the Chinese, " efficiency would not only mean effectiveness that would not be linked anymore to a particular occasion, by that would be dissolved in the substance of things, but efficiency becomes itself the fund (resource) of things, from where ensues continuously all advent. So, efficiency is immanence " [Jullien, 1996:158]. Precisely, it is this fund or/ and this substance of immanence that the Chinese strategist seeks to capture in order to succeed [Jullien, 1996].
Efficiency is invisible, of the order of imperceptible because efficiency intervenes since upstream, before things have actualized [Jullien, 1996].

So, thanks to the works of Jullien, we have seen that China has thought effectiveness not from action but on the mode of transformation and the mode of immanence. This vision involves another way to think management.

3-2 What can management learn from it?

The Chinese Thought emphasizes that we have to act upstream of the process, before the actualization of the situation in order to be effective/efficient. Because the earlier upstream we intervene, the less we need to act. As a matter of fact, there exists a degradation of effect: our effectiveness decreases as the course of things becomes clearer [Jullien, 1996].
We think that two management processes, at least, can benefit from this way of thinking: strategy and control.

In the strategic process, to act upstream can mean: " we have located factors which, according to calculation, are favorable to us even though the situation has not been actualized yet, and with a proper upstream manipulation, we can evolve the situation in the sense that suits us ". In this logic, what is the most important is not the forecast that has to be implemented but rather the anticipation. So, the forecast is useful if it permits anticipation.
In a more general way, as has been noted, the phase of evaluation (calculation) is essential because it will show the favorable conditions and its consequences. To some extent, it resembles SWOT (Strength-Weakness-Opportunity-Threat) analysis. Nevertheless, in Chinese Thought, we have to consider each point of analysis in terms of polarity.

Furthermore, the changing circumstances bring us to remain flexible in order to take advantage of it. Chow Hou Wee (1994: 96), gives one example of this principle of flexibility from Japanese production systems: " they (Japanese) rely heavily on subcontracting systems which are geared towards flexibility in many ways. First, it cushions the impact of falling demand and order as the burden (such as problems of retrenchment of workers) is passed to the subcontractors. Second, it allows the buyer to source from multiple suppliers, and hence the possibility of obtaining supplies at lower prices. Third, it creates competition among the subcontractors which inevitably raises

quality and service standards. Finally, competition among the various suppliers also tends to increase the overall efficiency and productivity of the production system ".

Of course, this kind of strategy does not belong solely to the Japanese. It seems that Adidas does the same when the firm calls for subcontractors from East Asia to make its shoes.

In the process of control, an upstream control is most important. Because the balance established is not that of means to end but that of condition to consequence: an upstream control aims at conditioning what is going to happen. Target costing and Total Quality Management have accustomed us to think that the more upstream control intervenes, the more effective and the less costly it proves. Production cost is much more easily influenced from the design phase rather than on the shop floor, quality is better guaranteed by doing right the first time rather than by fixing the undesired outcomes.

Thus, control is fully effective during the moment when nothing is actualized yet and is still flexible. Control becomes less and less effective as the process unfolds. The possibilities for the control to intervene effectively is reduced
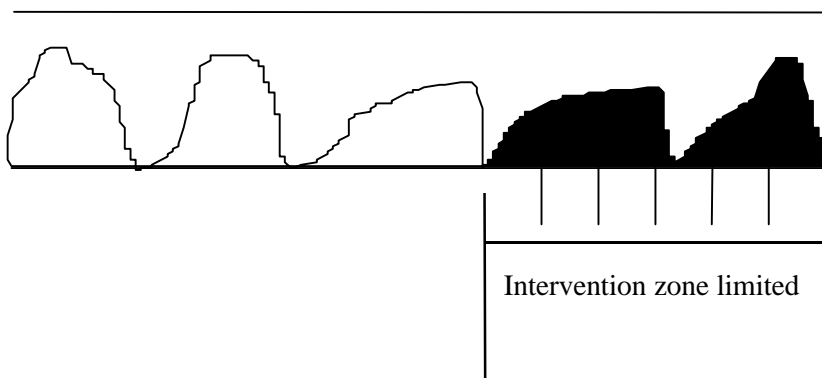
As we can see with the following diagrams:

ONE PROCESS

To act on the starting point (the beginning of the process) is easier. Few action but lot of effects

Figure 3 - Upstream control

ONE PROCESS

Intervention zone limited

If we act here, there are a lot of actions (to correct the direction) but few effects

Figure 4- Control during the process (in progress)

We have started to see the benefits from the Chinese thinking of effectiveness where concept of effectivity is emphasized. Now, it is interesting to see if and how this thinking is really practiced in Asian companies, those led by Overseas Chinese essentially.

3-3 Its influence on strategy and control: few illustrations

During the recent years, there has been a lot of studies (see for example Rosalie Tung, 1994), and books (see for example Khoo Kheng-Hor, 1992) emphasizing the great applicability of Chinese ancient thought to Business practices. These studies seem to demonstrate another way of thinking effectiveness. Let us take few illustrations.

The famous story of horses' race during the period of Warring State (476-221BC) is an example among others of the influence of ancient thought in Chinese Business. The story to be told reminds the concept of relativity evoked earlier.

Once upon a time, there was a general who liked to race his three horses against those of the king. The best horse was pitted against the best, the middle against the middle, and the worst against the worst. And each time, the king's horses won. One day, Sun Bin who was a master strategist of the general advised him to pit his best horse against the king's middle horse, his middle against the king's worst horse and finally, his slowest horse against the king's fastest. In doing so, the general won two races out of three and was declared the winner.

The Chinese computer company, Liangxiang has imitated this strategy. Knowing that the company can not compete against American, Japanese or even Taiwanese computers, Liangxiang sells his medium-range computer in the bottom-of-the-range international market, in so far as its costs are still low enough to allow them to remain in this market [The Economist, 1991, Oct : 41]

Another study[18] led by Foo Check Teck (1994 and Peter Grinyer) in 109 large ASEAN companies[19] show the analogy of the strategic planning process of these companies with Sunzi's work. The latter may influence on how these companies are structured. It seems that these companies are more flexibly structured and use wide but less quantitative techniques than the western companies. Nevertheless, his study, also, seems to show the adoption by them, of regular, formal and analytical strategic planning such as those encountered in the West, for example SWOT approach.

So, if the influence of Ancient Chinese Thought seems to be present in strategy, its concept of effectivity, called by Jullien seems less visible in practice, and above all because it acts discreetly. However, some techniques of control may be different from Western, and we can interpret it as effectivity control.
As for example about the control and trust, in first analysis, the two terms appear opposite: when we trust someone, we don't need to control him. In Overseas Chinese case, trust and control can be sometimes linked. Overseas Chinese often say: "we have to trust each other", "I trust him", etc. This does not mean he would not control him. But the control is indirect. He can trust him or will trust him because he knows his relationship or family, so if ever something was done wrong, he could turn to his relationship or family. For the one who is controlled, this means loose his face,

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[18] This was conducted between 1987 and 1990 through questionnaires completed by each of the CEO, a senior manager and the corporate planner.
[19] 20 in Thailand, 31 in Malaysia, 13 in Philippines, 43 in Singapore and 2 in Indonesia.

dishonor, in case where he does not respect these social rules. That is why in Overseas Chinese firms, we often find the core family (or persons who have very close relationship with the owner) at the top or at key functions of the company, because the manager-owner only trust them [Redding 1990, Chen 1994].

We can call that an upstream control or ethical control on human action. With this kind of control, when he hires, the founder-owner tries to select people he knows directly or indirectly [Laulusa, 1997]. And he prefers to hire people he knows without a really good competence than one who is competent but he does not know [Kao, 1993]. At least, there are two reasons in that. Firstly, it will be easier for him to have control on them. And secondly, for the founder, the judgement of family is more reliable and where he can count on. The popular Chinese saying goes in this sense when it tells about the need to be in guanxi (connection-relationship): "Who you know is more important than what you know". Besides, guanxi can notably help you to find people you need or information about people your hire.

This shows the possibilities of upstream control on human action as a conditioning of situation from which the consequences will flow.
We have seen very few illustrations about the influence of Chinese ancient thought on strategy and control. These short explorations intend to suggest that its influence still exists even if its effect is sometimes discreet. This allows us to assume to think otherwise the concept of effectiveness. But, we can also assume that large companies and especially those which compete in global markets tend to use western techniques which are pervaded with western values; and thus, with the western concept of effectiveness.

Further empirical studies in overseas Chinese firms should be undertaken in order to better understand how the management of effectivity is realized (directed) and exists together with the occidental thinking of effectiveness. So, the western and the eastern way of thinking effectiveness are not mutually exclusive. It is the purpose of the final part to discuss this complementarity.

4. Preparing the dialogue: some contrasts and complementarities of the two speeches

After having presented the two speeches on effectiveness, this last part will not try to conduct the dialogue. It will only pinpoint some beginnings where exchanges seem possible and mutually profitable. If, as Cameron (1986) has pointed out, the organizational effectiveness concept is paradoxical, then illusory will certainly prove to be any research of a "super-theory" of effectiveness. Thus dialogue, rather than merging or simple comparison, seems the appropriate form of encounter. Each speech is based on diverging postulates, so each should take advantage from the meeting of a speech of otherness to question again its unconscious taken for granted. However, it will be noted that some Western conceptions are not so far from Chinese ones, and then could probably benefit from the Chinese light. We will contrast the two speeches at first globally, then some possibilities of mutual contribution will be noted about the five major options.

One of the main gaps between the two thoughts certainly separates a theory of action to a theory of effect[20]. Roughly told, we could say that Western managers see themselves *acting on* the state of things, whereas, for the Chinese, effects are implicated inside the situation itself. To put it less abstractly, we may say that on the one hand, the Chinese thought would never call effective a

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[20] Cf. F. Jullien (1996: chap VII).

seemingly profitable action which exhausts all the organizational potential (e.g. jeopardizing the brand image or a license exclusive rights). On the other hand, the Western manager would question the effectiveness of someone who would accept things as they are instead of trying to control them. More analytically, we may stress the main contrast on the following positions:

West - Effectiveness	East – Effectivity
Logic of modelization	Logic of process
Separation between theory / practice	No separation between theory / practice
Balance between mean / end	Balance between condition / consequence
Action	Transformation
Projection	Anticipation
Transcendental thinking	Immanent thinking
Will – initiative- responsibility	Accord - manipulation - "ren"
What I want, what I do	What I can, what I do

On the one hand, the Western tradition acts with the logic of modelization. That is to say, we start with a will and then project it through a model. The underlying values are the will to control, the emphasis on initiative and the focalization on responsibility. In short, this thinking may be captured in "what I want, what I do".

Effectiveness, at this first pole qualifies the transformation of nature thanks to human action. This human acting is supposed to be led externally, projecting its ends and reflecting on means. In mainstream thoughts, effectiveness is achievement and is directed towards effects (results). Values, ends and actions come from outside nature, in a kind of "transcendental"[21] view.

On the other hand, the Eastern tradition acts with the logic of process. There is no separation between theory and practice. At this pole, what matters is to understand the situation before it actualizes in order to anticipate and take advantage of it. The saying that fits this mode of effectiveness would be:"what I can, what I do". Effectiveness benefits from the natural transformation. The change is, for that reason, what permits effective action [Jacques Gernet, 1994]. Effectiveness relies on effectivity, in the relation between condition and consequence, and is directed towards affecting. What affects is more important. There is no outside from which values and ends would come, the thinking is more immanent.

Thus, these two modes of thinking effectiveness appear as two opposite but complementary poles. On this point, both traditions would surely agree, either they call it dialectic or polarity (yin-yang). As can be seen with the following representation of Taoist symbol:

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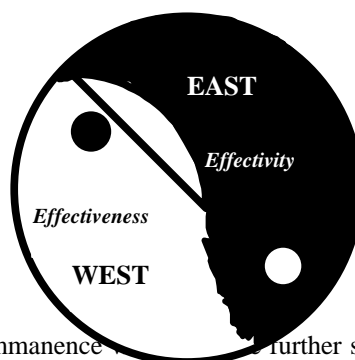
[21] The discussion about transcendence and immanence would need further studies. Interested readers may turn to F. Jullien: F. Jullien, *Figure de l'immanence. Pour une lecture philosophique*, Grasset, 1993 and F. Jullien, *Procès ou création. Une introduction à la pensée des lettrés chinois*, Seuil, 1989

Figure 5- The effectiveness in Western and Eastern

However, in order to prepare the dialogue, we could still have to sort out the differences: to separate the differences which are complementarities, those which open to new insights and those which reveal conflicts of values

4.1 Differences as complementarities: model-design and model-example

The complementarity of both approaches is rarely as patent as with the use of models. On the Western side, the model is a **design** built *ex ante* in reference to an intention. In a first phase, the model is malleable and allows simulation, reflection and creativity. Then, during action, it has solidified in a rather rigid framework in order to guide activities, being only modified through hard-to-manage learnings. On the Eastern side, model is perceived as **example**[22] like Renaissance artists were considering Greek and Latin civilization as models. The model pertains to a range of proven effective strategies. Creativity and flexibility appear only in the time of actualization, " *when in a rift appears the opportunity. No use in elaborating beforehand the stratagem. It would miss its aim.* "[23] In short, the model is not the form we wish to confer to the state of things, but what the evolving state-of-things invite us to use. Models act as incentives [A. Cheng, 1997b].

Western strategic planners, who acknowledge being puzzled by growing uncertainty, complexity and globalization, may wonder whether other concepts of model could help them; and especially the Eastern example, which weighs preparation more than programming. In the same way, the condition/consequence distinction, instead of the cause/effect one, suggesting a nebula of outcomes and the qualitative dimension of change, could enrich reflections upon "global performance" and public policy evaluation. Conversely, Chinese firms may ask in what conditions the model as design as well as the analytical and causal approach, which enables simulation, explanation and control, even if it seems reducing, may open new paths for action.

4.2 Differences as new insights

A dialogue might prove fruitful in other ways: when the other tradition has explored very different insights. For instance, some Western studies are just inquiring some concepts, which could apparently benefit from the Chinese thought. Among others, studies about:
- the upstream shift of control : cost control as early as design, as by the vendor's, during the structuring process.
- the non-emphasis on results in favor of potential, or in the ground that effectiveness is judgemental, interpretative.
- the possibilities of control not on actions but on their contexts.
- the relativization of individuals actions in favor of systemic workings.
- the importance of time with the notion of process, organizational memory, organization biography.

Conversely, the dialogue could help to explain why MBO seems to be so unsuccessful in Eastern firms or could invite Eastern research on individual's initiative or "responsibilization".

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[22] See for instance, the Confucian value of example
[23] The 36 stratagems, p.19.

4.3 Differences as conflicting values

At last, the dialogue could not increase mutual understanding without identifying the main differences in values. Above all, Westerners should better understand the notions of "ren", loyalty and righteousness and Easterners that of responsibility and fairness. Without a clear comprehension of responsibility, the search for results can be rejected for equating effectiveness and fairness [Le Mouël, 1991]. Without a better understanding of ren, the search for transformation can resemble mere manipulation. And dialogue is closed before having started.

CONCLUSION

This paper has called for a dialogue between the two effectivenesses. Knowing that dialogue requires mutual understanding and esteem, not merging. So we have ended with a note on the possibilities of an opening to other traditions of thought. Such dialogue permits to bridge the gap between East and West concepts [Lui & Pesqueux, 1997]. This means not only at adapting to them our management but, may be, at enriching both conceptions of effectiveness. Unthought possibilities for reflection and action may emerge.

This dialogue can be profitable, even necessary, in globalization environment, at least, for three reasons. First, this environment invites us to have more mutual understanding. Because, we are going to be more and more in relation with values, norms, perceptions, in a word, with cultures that are different from ours, or to work in "multicultural organizations", we need to understand the representation of the reality of each of us. Second, in a globalization world, the rules of game are changing. We may loose our references to the detriment of a "global paradigm". Don't we say about the strategy: "think global, act local". Are we ready for it? What's more with the crisis of modernity, many have lost their confidences in the link between effectiveness and well-being, and are afraid of the extension of technical effectiveness. So, they are searching new concepts of effectiveness. Third, the last but not least consequence of the globalization is the need to be more effective/efficient.
So, anew, it is important to question about effectiveness: *What is effectiveness? What are the criteria of Good to guide action? Should not we to conceive a new prudence or another ethical concept?*

Back from this travel in effectiveness worlds, we are not able to tell how to better think about effectiveness. Perhaps some managers would find new "possibles", that they would have never thought of.
In this sense, perhaps managers, with a broader conception of effectiveness in mind, could find new possibilities for action. For it will eventually be their sole responsibilities to find out and design the appropriate acting that is best suited to the very situation and dignity of participants.

Finally, this invitation for a dialogue between "effectivenesses" also calls for academics to go further in this direction, that is to say, to give greater place to a "multi-dialogue" between disciplines of Human Science, but also, with other thoughts coming from other cultures. Maybe, new "effectivenesses" could emerge from these perspectives.

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