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# How to Implement Change in a Post-acquisition Multicultural Context: The Lafarge Experience in Britain

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## 1 Possible answers

This LFI England case study shows a post-acquisition situation. The French group Lafarge acquires a cement manufacturing unit in England. This subsidiary integration process is interesting at different levels:

- Change management takes into account the British culture and the history of the relationship between the French and the English.
- The integration process implemented by the Lafarge Group is not conducted according to a pre-designed model. It can be considered as an adaptive approach.
- The role played by the French engineer as a factory director in the change process (mediator, “facilitator” taking into account the cultural variables). This, too, can clearly be considered as a cross-cultural adaptive approach.

**1.1 What are the key cultural and managerial characteristics of the acquired factory? What key changes should be implemented?**

<p><b>The key cultural and managerial characteristics:</b></p> <p>A “passive” workforce not involved in the manufacturing process.</p> <p>Industrial targets (efficiency, quality) not shared by everyone on the shop floor.</p> <p>No relationship between the headquarters and this factory.</p> <p>A powerful trade union and no real leadership at the head of the factory.</p> <p><b>The mandatory key changes deal with:</b></p> <ul style="list-style-type: none"> <li>• Industrial strategy implementation</li> <li>• Power sharing</li> <li>• Leadership</li> <li>• Monitoring</li> <li>• Work organization</li> <li>• Corporate culture</li> </ul>	<p><b>Recommendations:</b></p> <p><i>To implement this factory “strategic alignment” with Lafarge Group industrial strategy.</i></p> <p><i>To modify the power balance between this factory’s management, the workshop foremen and the trade unions.</i></p> <p><i>To assert a factory management leadership showing direction.</i></p> <p><i>To set up a monitoring system of the factory including productivity and quality indicators.</i></p> <p><i>To change the work organization in order to decrease the unnecessary overtime the maintenance department does.</i></p> <p><i>To encourage the emergence of new values focused on work quality, workers’ and technicians’ stronger involvement in their job and the avoidance of product waste.</i></p>
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## 1.2 What issues related to power and cultural differences does André L. face at the Grays factory?

<p><b>Cross-cultural resistance:</b></p> <ul style="list-style-type: none"> <li>• A historical rivalry</li> <li>• Cultural gaps</li> <li>• A fear of French domination</li> <li>• Very different corporate cultures</li> <li>• A factory way of working and “functioning” which gives advantages and even privileges to a few persons only</li> </ul>	<p>An old rivalry between England and France which creates a kind of reciprocal mistrust. In colloquial French, England is said to be “la perfide Albion” (perfidious Albion) or sometimes the “hereditary or congenital enemy”.</p> <p>Cultural gaps exist as far as the relationship to authority and norms is concerned. Moreover, industrial activities are not valued in the same way (they have a good image in France whereas they are usually despised in the UK where financial activities are preferred).</p> <p>In this context, the English working at Grays factory are afraid to become “colonized” by the French through what they call the “one-way system” i.e. the fact that the French only come to Grays to fulfil specific missions whereas the English do not make any movement towards the Lafarge French plants on the Continent.</p> <p>There is a large gap as far as the corporate cultures are concerned. Lafarge has inherited a strong and old corporate culture (technical innovation, quality of processes and products, a respect for engineers’ degrees and status, cost-“killing” practices, global openness through many factories on several continents) whereas the Grays factory is not ambitious and is mismanaged.</p> <p>The “routine functioning” of this factory has been perverted in order to enable a number of people to have some advantages: they had specifically organized the usual working of this plant so that it now required unnecessary overtime on a regular basis. A key resistance was obviously the fact that a few people refused to accept the abandonment of some privileges they had acquired against the company interests.</p> <p>A kind of workforce “passivity” on the shop floor and a kind of indifference of English management to the Grays factory.</p>
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### 1.3 What are the different stages of the change process implemented by André L.?

<b>The key stages of the change process:</b>	<b>The detailed stages:</b>
<ul style="list-style-type: none"> <li>• Staff involvement</li> </ul>	<p>André L.'s understanding of the cultural and organizational contexts and individual involvement in plant operations (daily workshop visits during the week and even during weekends).</p> <p>Individual improvement of his English language skills and interpersonal communication with everyone.</p>
<ul style="list-style-type: none"> <li>• Diagnosis of organizational problems</li> </ul>	<p>Identification of operational problems as far as costs, quality and product waste are concerned.</p>
<ul style="list-style-type: none"> <li>• Conflict resolution</li> </ul>	<p>Decision about overtime limitation through organizing a fifth shift team.</p> <p>Dealing with the strike and the foremen mobilization to reach the manufacture of expected quantities.</p> <p>Involvement of an external mediator to explain and justify the decision which had been made.</p>
<ul style="list-style-type: none"> <li>• Gradual change of values</li> </ul>	<p>Gradual change of values, frames of reference and behaviours in the workplace (quality and productivity standards).</p> <p>Individual and collective empowerment (through the use of indicators and benchmarking with the French manufacturing units).</p>

#### 1.4 What would you recommend to a manager in a similar situation?

Which recommendations?	
<ul style="list-style-type: none"> <li>• The discovery stage</li> </ul>	To spend time becoming familiar with industrial realities and requirements to discover obvious and hidden organizational data and local and national cultures.
<ul style="list-style-type: none"> <li>• Diagnosis</li> </ul>	To conduct an in-depth cultural and organizational diagnosis.
<ul style="list-style-type: none"> <li>• Risk identification</li> </ul>	To identify resistance which has a cultural or organizational origin.
<ul style="list-style-type: none"> <li>• Strategic design and implementation process</li> </ul>	<p>To design the key elements of a change strategy and its change processes (stages, methods, teamwork).</p> <p>To identify priorities about changes to implement and rely on the human and technical resources of the acquiring company.</p>