

# **National Forum on Management**

## **Summary, analyses and lines of action**

**by**

**Jean-Marie Toulouse**

**Honorary Professor, HEC Montréal and Director of the forum**

**and**

**Jacques Bordeleau**

Montréal, February 28, 2010

## **Content**

### **Introduction**

### **Section 1**

#### **Highlights and suggestions**

- 1.1 Management and Strategy
- 1.2 Finance
- 1.3 Accounting
- 1.4 Entrepreneurship
- 1.5 Information Technologies and Communications
- 1.6 Supply Chain and Logistics
- 1.7 Energy and the environment
- 1.8 Healthcare Management
- 1.9 Corporate Social Responsibility (CSR)
- 1.10 Governance
- 1.11 Ethics
- 1.12 Non-profit Organizations
- 1.13 Innovating Enterprises: Video Gaming and the Arts

### **Section 2**

#### **Subjects for business schools and faculties and the SSHRC to ponder**

- 2.1 Does this Forum provide indicators that could judge management research in Canada and establish that this knowledge is “world class”?

- 2.2 The federal strategy in science and technology indicates that we must develop three competitive advantages in the areas of knowledge, human capital and entrepreneurship. It also identifies subjects to which Canada must devote particular attention: ICT, health and life sciences, science and environmental technologies, natural resources and energy.
  - 2.2.1 Research in management: a competitive advantage?
  - 2.2.2 Management education and human capital: a competitive advantage?
  - 2.2.3 Entrepreneurship: a competitive advantage?
  - 2.2.4 What is the contribution of management research and education to the priorities established in the federal government's strategy in science and technology?
  - 2.2.5 What role does management play in creating a country's competitive advantages?
- 2.3 Dialogue between researchers and the business world, and researchers and management professionals: a problem, a reality or an urban legend?
- 2.4 The SSHRC's policies encourage researchers to engage in greater interdisciplinarity
- 2.5 Innovation: an exclusive preserve for products or a more complex reality?

### **Section 3**

#### **Suggestions and lines of action for the SSHRC and CFBSB**

- 3.1 Research
  - 3.1.1 Research capacity
  - 3.1.2 World-class excellence
- 3.2 Education
- 3.3 Dialogue between management researchers and professors and stakeholders
- 3.4 Knowledge transfer in management
- 3.5 Management and national policies

### **General conclusion**

#### **Appendices**

Appendix 1 Doctoral students' reports by theme

Appendix 2 List of conference speakers

## **Message from the director of the Forum**

Following the culmination of an event such as the National Forum on Management, it is worth pointing out that this project was the fruit of effective and generous collaboration by several players, to whom I extend my most sincere thanks.

First, I would like to thank the SSHRC and the CFBSD. From the initial idea to the event itself, they have been crucial partners, without which the Forum would never have come to fruition. It would certainly not have been the resounding success that it was. I am also grateful to HEC Montréal and its director for unhesitatingly agreeing to host an event of this scale.

I would also like to thank the advisory committee, made up of the following people: Françoise Bertrand, CEO, Fédération des Chambres de Commerce du Québec, Ali Dastmalchian, Dean, Faculty of Business, University of Victoria; Gillian Hewitt, RBC Capital Markets, Isabelle Hudon, President of Marketel; Michael Kelly, Dean, Telfer School of Management, University of Ottawa; Daniel Monroe, Senior Research Associate, Conference Board of Canada and Michel Patry, Director, HEC Montréal. During the development process of the idea of the Forum and the creation of the program, their suggestions and comments proved to be invaluable.

In producing the Forum, we invited universities to take part, by managing a theme. Ultimately, this decision proved fortuitous, because the Forum program thus encompassed several visions of management. Thanks to all of those who coordinated the themes.

Of course, the success of an event such as the Forum rests primarily on the quality of the presentations of the various speakers and the dynamism of the moderators of each workshop. Anyone having heard all 76 presentations and 7 public conferences would have left the Forum with an image of excellence, richness and diversity. They would have been deeply impressed by some presentations, stimulated by others and intrigued by others. One thing is certain: they would have had the impression that they received a great deal. The participants deserve our most sincere thanks, as do the people that stimulated the discussions and analyses by sharing their viewpoints, along with the moderators that played an essential role. Lastly, I thank the team that worked relentlessly to see this project through to completion, with special thanks to Philippe de Mestral, who assisted me throughout the process, and to Kathleen Grant, director of communications and recruitment at HEC Montréal, for her priceless advice.

## Introduction

Organized by the Social Sciences and Humanities Research Council (SSHRC), HEC Montréal and the Canadian Federation of Business School Deans (CFBSD), the National Forum on Management<sup>1</sup> took place in Montréal, from September 29 to October 2, 2009.

## Context

In recent years, the Canadian government has expressed the will to ensure that Canada improves its already enviable position within the increasingly globalized knowledge economy. This will was stated, beginning in 2006, in the economic plan *Advantage Canada - Building a Strong Economy for Canadians*, in which the federal government recognized the fundamental importance of science and technology and the training of a highly educated workforce to ensure the prosperity of the country and its citizens.

To adopt a guide to orient its actions in pursuit of this priority, the government published its strategy for science and technology in 2007. In this plan,--*Mobilizing Science and Technology to Canada's Advantage*--, the government affirmed its intention to cultivate three distinct advantages in science and technology:

- An entrepreneurial advantage, by translating knowledge into practical applications;
- A knowledge advantage, which generates new ideas and excellence by world standards;
- A human advantage, by developing attracting and training highly skilled people Canada needs to thrive in the modern global economy.

To develop its knowledge advantage, the government plans to promote the attainment of world class excellence in four areas that it considers of national interest from a social and economic perspective:

- Environmental science and technologies;
- Natural resources and energy;
- Health and related life sciences and technologies;
- Information and communications technologies.

The implementation of this policy and the strategic plan is intended to improve the productivity and competitiveness of the Canadian economy and consequently the standard of living of Canadians.

Along the same lines, the Canadian government formed the Competition Policy Review Panel in 1997. This panel was mandated to review Canada's competition and foreign investment policies. The report published the following year, - the Wilson Report, named

---

<sup>1</sup> In this text, the terms administration, management are used interchangeably.

after the president of the panel -, identified productivity as the key factor of competitiveness. It contained the following definition: “Productivity measures the efficiency with which the resources available to an economy, such as labour, capital and business expertise, are being used to produce goods and services.” This definition underlines the important role of management in the pursuit of the objective of improving productivity, in that its action has a determining impact on the way production factors are harnessed toward the attainment of optimal effectiveness and efficiency. Further, the Panel mentioned insufficient entrepreneurial ambition as one of the weaknesses of the Canadian economy.

To support the federal government’s strategy for science and technology, the SSHRC has set the objectives, in its strategic plan, of increasing the quality of research in social sciences, favouring the connection between disciplines and increasing the impact of research and research education to benefit society. In recognition of the important role of management and its disciplines in the pursuit of its objectives, the federal government increased the budget of the SSHRC by \$11 million annually to support research in management, administration and finance. A portion of these funds was earmarked for public awareness campaigns intended to reinforce links between universities and the community, to favour the mobilization, diffusion and synthesis of knowledge. It was in this context that HEC Montréal received a grant to organize a national interdisciplinary and multisectorial forum on management, administration and finance. This initiative thus represents another contribution of the SHHRC toward implementing the federal strategy for science and technology.

The Forum is in the wake of the report on management, business and finance programs in Canada, published in the summer of 2009 by the Conference Board of Canada.

### **The Forum**

The Forum, whose main theme was “Advancing Canada’s Competitive Advantage,” analysed the impact of management and its disciplines on the Canadian economy. Specifically, the Forum attempted to establish how these disciplines contribute to developing and reinforcing the comparative advantages of Canada in the areas of entrepreneurship, knowledge and human capital, the foundations of the federal strategy for science and technology.

Open to representatives from all sectors – private, public, parapublic, university, NPOs, professional corporations, etc. – the Forum attracted close to 350 participants. The inaugural conference given by John Micklethwait, Editor in Chief of *The Economist*, was open to the public, and was attended by an audience of 400.

The program of this multidisciplinary, multisectorial event was divided into 13 main themes and 35 subthemes, the latter of which were the subjects of individual workshops. In these workshops, participants heard 76 speakers. In addition, seven conferences were given to the full group.

Given the number and variety of the subjects covered, conveying the quality of the presentations and the richness of the exchanges that occurred at this event proved to be a formidable challenge for the directors of the Forum.

## The Report

First, given the number of conferences and the fact that many speakers did not read from texts, the idea of publishing the proceedings of the Forum was quickly rejected because it was not feasible.

Instead, the methodological option retained involved enlisting doctorate students in the management disciplines to cover each of the main themes and workshops on each of the related subthemes. Therefore, there was one report per main theme, for a total of 13. The themes are:

- Management and Strategy
- Finance
- Accounting
- Entrepreneurship
- Information Technologies and Communications
- Supply Chain and Logistics
- Energy and the Environment
- Healthcare Management
- Corporate Social Responsibility (CSR)
- Governance
- Ethics
- Non-profit Organizations
- Innovating Enterprises: Video Gaming and the Arts

These reports convey, as faithfully as possible, the main ideas put forth in the workshops and conferences on each of the themes of the Forum. They do not claim to be exhaustive. Their structure evidently varies according to the subject of the workshops, but also according to the treatment by the doctorate student who wrote the report. The reports are presented in the author's language of preference, and were broadly edited, particularly concerning the form, by the directors of the Forum. Readers interested in a particular theme may consult the reports, presented in Appendix 1.

Because one of the aims of the Forum was to generate concrete benefits for the participants and their institutions, the first section of this report contains a summary presentation of the highlights and suggestions issuing from all the reports, which make up its source. This summary is certainly not a substitute for reading the reports, but rather provides a general overview of their content.

The directors of the Forum present, in Section 2, pertinent analyses ensuing from the presentations and discussions that took place both within and outside the workshops. These analyses are of particular value for both partners behind the Forum, namely business schools and faculties<sup>2</sup> and the SSHRC.

---

<sup>2</sup> Better Research for Better Business, The Expert Panel on Management, Business, and Finance Research, The Council of Canadian Academies, September 2009.

Section 3 contains suggestions and lines of actions resulting from the Forum, which we hope the partners will find useful.

Lastly, several videos and slide presentations of conferences presented at the Forum are available on the Forum website at: <http://expertise.hec.ca/forum2009>.

## **Section 1**

### **Highlights and suggestions**

#### **Introduction**

In a difficult economic contest marked by an exceptional financial crisis, the National Forum on Management was a prime opportunity to address a set of themes that underlie the performance of the Canadian economy. Designed to shed light on the contribution of management and its disciplines from players at the heart of the action, in the areas of management, education and research, this exercise devoted particular attention to sectors identified as priorities in the strategy for science and technology. It also showed how management contributes to developing the comparative advantages of Canada in the areas of entrepreneurship, knowledge and human capital.

Other themes covered appeared to have more indirect links with Canada's economic performance. Such themes include ethics, corporate social responsibility and non-profit organizations. However, one cannot overstate the importance of these areas in creating an environment that ensures that economic development rests on solid values that include respect for individuals and society.

In the case of non-profit organizations, beyond their direct economic contribution (2.6% of GDP), the speakers highlighted the importance for a country's competitiveness of possessing a strong non-profit sector, which allows better management of complexity, strengthens social ties and increased confidence, which has repercussions in the rest of the economy.

This section presents the highlights and main ideas issuing from the workshops. It is a condensed overview of the workshops. Produced based on reports by doctorate students, it is certainly not a substitute for reading the reports. In fact, there are limitations of this exercise in that the Ph.D. candidates themselves made choices within this rich and abundant material. It is therefore a largely subjective exercise, but one we hope will allow readers to gain a general understanding of the innovative ideas, lines of research and suggestions issuing from all the reports.

This presentation is done by theme and varies according to the structure of the report. It therefore differs significantly between themes. Because it was impossible to attribute each excerpt to a particular speaker, a list of speakers by theme is presented in Appendix 2. However, where possible, the source was cited.

## 1.1 Management and strategy

The conference speakers that covered this theme mainly referred to business schools, their growth, pertinence in teaching and research and interaction with manager-practitioners.

Management makes a difference

- whereas the government has invested considerably in R&D to stimulate technological development, research in management intended to spur innovation seems more controversial;
- managers make a difference because they can bring innovation to production, marketing and consumers;
- the quality of Canadian managers is inferior to that of their American counterparts, and the quality of managers from emerging countries is rising sharply.

Strong growth of business schools

- globally, the number of business schools increased from 2000 in the 1980s to 6000 two years ago, and to over 11,000 today;
- the comparative advantages in business are related to the qualities of perception, creativity and efficiency in managers' decision making.

Relevance of business schools

Some report a disconnect between business schools and the nature of Canadian businesses. This gap differs depending on whether research or education is considered:

- research
  - the ideas that have the most impact come from practitioners rather than academics;
  - university researchers are good at understanding what is happening, but less able to find practical solutions;
  - subjects and methods are off target:
    - the focus tends to be on high level management of public companies, whereas most Canadian companies are small and private or family run;
    - research data often come from databases rather than from experiments involving actual companies;
    - researchers place more importance on their own careers in producing new practical knowledge;
    - the university environment offers few incentives to study business problems from a more holistic approach;
- teaching the wrong material to the wrong audience

- programs contribute to unethical behaviour. The dominant model, - agency theory -, emphasizes personal ambition;
  - too much of an accent on leadership and not enough on management (recent example of the banks);
  - another fallacy: experienced management focuses on the long term and less experienced managers look at the short term;
  - why do European companies perform better in a diversified environment, contrary to the dominant model of American business schools?
  - the unresolved question is that of management complexity. Corporate strategy rests on the capacity to solve questions of integration. Why then would performance be measured based on the evaluation of each of the parties?
  - business schools have not produced tools to face complex situations, but rather simple and elegant theories. Strategy is a science that has yet to develop its capability;
  - strategy is a question of synthesis, not analysis; advances result more from observations than from engineering;
  - schools do not produce good managers because they focus on the CEO at the top, whereas most graduates will work within middle management. Students' expectations are consequently too high.
- How can business schools do better?
    - schools can become good intermediaries in integrating knowledge between science and culture;
    - governments should expand the innovation policy to include management, and increase financing for research in management;
    - schools should specialize in training managers or in leading-edge research;
    - the number of graduates should be increased, and greater and earlier investment is required to this end;
    - links with large consulting firms, which are the real laboratories of practice, should be increased;
    - research must be oriented toward examples of good practices, while continuing to produce general and scientific models;
    - MBA programs should draw on experienced managers more often;
    - lastly, how can we measure how well the programs meet the expectations of the business world?

## 1.2 Finance

This workshop covered all topics related to the financial crisis: causes, structured financial products, risk management, regulation and executive compensation.

Important changes in three markets triggered the crisis:

- financial markets: after having presented the players and risk levels, incentives for short-term returns were described. Funds engaged in occasional “share flipping”;
- the goods and services market: deregulation led to increased competition, lower prices and a more competitive environment. In addition to pressure from shareholders, pressure from the competition propelled managers to seek greater profits;
- the talent market: these developments are translated by an increase in salaries, volatility and the quest for short-term performance.

Phenomena ensuing from these changes:

- mergers and acquisitions, development of new financial products, delocalization to emerging countries and scandals;
- these changes do not have solely negative effects, for example, prices of goods and services decreased, but the effects as a whole must be considered;
- the role of financial intermediaries is to manage and decrease risk; not to lead managers to take on more risk. The difficulty of assessing risks associated with new financial products has lead managers to take increasingly higher risks, because high risk is associated with a higher return, and thus higher compensation;
- this raises the question of how to determine compensation and the role of shareholders in this context. The concept of citizen executive implies giving voting rights only after the shares have been held for a certain time, to avoid long-term consequences resulting from decisions based on the short-term;
- risk assessment by rating agencies was mentioned in this context.

Managing risks of structured financial products:

- financial innovations have allowed financial companies to share their risk on financial markets while bringing in new resources. The risk is thus transferred from the original buyer that has a preference for low risk to buyers that have different risk preferences;
- this differentiation in risk level involves the allocation into tranches of rights on groups of assets with different risk levels. They are entirely related to the nature of the assets that underlie them;
- to summarize, because of their complexity and poor risk management, structured financial products, specifically the underestimation of their risk level, are the main cause of the recent crisis. Other risk assessment methods must be developed to pinpoint the more complex nature of these products.

With risk management, derivatives and the crisis corroborating the arguments mentioned above, two new ideas deserve mention:

- the rating of derivatives allows measurement of only the rates of noncompliance with obligations (“default rates”);

- in addition to developing more sophisticated methods to assess the risk associated with these products, we must also design dynamic risk models for projection purposes.

## Regulation and compensation

- two questions were raised: the efficiency of regulation and executive compensation.
- regulation:
  - regulatory bodies that establish rules intended to eliminate market imperfections were distinguished from supervisory bodies that verify whether the rules are applied;
  - financial rules have two goals: 1) foster an environment conducive to the free functioning of the market and openness of the market to innovations, and 2) ensure investor protection and prevent market arbitrage arising from regulation;
  - regulating and controlling risk requires good measures. The recent crisis has underlined this problem.
- compensation:
  - this is a problem driven by incentives to take risk and their link to compensation, and by the public’s concern with the lack of control by authorities over the market. For example, some of the “bailout funds” were used to pay bonuses. This sometimes gave rise to the adoption of rules forcing the consultation of shareholders on executive compensation, but without decision-making power. However, this allows more transparency;
  - in Canada, “say-on-pay” votes are applied willingly by some companies. Some organizations protect all shareholders’ rights. Research is required on policies in force, here and in the G-20 countries. Lastly, the functioning of the talent market in the financial sector is a hot topic.

## 1.3 Accounting

This workshop covered audit committees, links between fraudulent financial information and governance, accounting standards and the public interest, along with international harmonization of standards.

### Audit committees

Definition and role of audit committees:

- technical committee operating within the board of directors of public companies;
- role:
  - oversee external audit,
  - oversee the creation of financial information,
  - oversee internal control;
- the proportion of independent auditors improves the quality of financial information;
- expertise in governance and accounting improves the performance of the audit committee;

- a high level of compensation of members of the audit committee may influence their independence;
- link between fraudulent financial information and governance: fraud mainly concerns income published in the results or overvaluation or misappropriation of assets;
- governance has an important role to play in fraud related to published financial information. The independence of board members is important;
- central preoccupation of investors: that the audit committee detect fraud in time and ideally prevent it.

Presentation standards for financial reports and the public interest:

- presentation of the International Auditing and Assurance Standards Board (IAASB), which emanates from private interests;
- accounting harmonization facilitates the flow of capital and helps developing countries catch up;
- accounting standards help analysts disclose reliable and pertinent information on the real activities of the company. Accounting research is also interested in the debate on standardization and supervision;
- standard setters do not always consider accounting research. No studies have demonstrated the cost-benefit advantage of standardization, which would take all the stakeholders into account.

The challenges of international harmonization of accounting and other standards:

- the legitimacy of the IAASB of the International Federation of Accountants (IFAC) is based on political representation and the independent expertise of the members;
- international standards are based on principles whereas American standards are based on rules;
- the question of an authority responsible for the application of audit standard throughout the world was raised.

This workshop culminated in four suggestions:

- Canada may gain a comparative advantage in the area of corporate governance by improving theoretical and practical training of its accountants;
- Canada may exert leadership by favouring research in accounting to shed new light on the economic advantage that a country could gain by adopting international financial reporting standards (IFRS);
- Canada could take a leadership role by putting in place a global authority for the application of international financial reporting standards (IFRS) and international standards of auditing (ISA).
- Globalization has led to harmonization. The challenge is to establish a link between university researchers and accounting professionals.

## **1.4 Entrepreneurship**

In this workshop, entrepreneurship was addressed from several angles:

- growth and diversification of entrepreneurship;
- examination of the link between productivity and the entrepreneurship and innovation culture underlines the need to attack the basic problem related to education provided in business schools and increased support for spinoffs;
- presentation of the Entrepreneurship Foundation and its mentorship program;
- examination of some determinants and the invitation to take examples from other countries.

Noteworthy ideas:

- the young and multidisciplinary field of entrepreneurship has grown exponentially in recent years, and new fields have surfaced, such as sustainable entrepreneurship and social entrepreneurship;
- this growth is manifested notably by the high number of new publications and the emergence of subthemes, including entrepreneurship and development, which accounts for 26.6% of publications;
- there is no real entrepreneurship culture in Canada, even if entrepreneurs are responsible for creating 50% of new jobs, and the Canadian economy should increase its productivity to improve its relative position.

The suggestions below emerged from these presentations:

- it is important to develop a culture of entrepreneurship; the problem must be attacked at its root by offering entrepreneurship courses in business schools, as has been done for a long time at schools such as HEC Montréal;
- the same should be done for innovation, preferably by incorporating students from several disciplines, as is done at McGill, for example;
- to follow the example of several other countries, Canadian entrepreneurs must be able to rely on government aid programs to help them complete all the steps in the process from innovation to marketing, particularly by increasing the number of incubators;
- Canada should profit from the diversity offered by immigration and favour knowledge in business by promoting mentorship, whose effectiveness has been demonstrated, as illustrated by the performance of the Entrepreneurship Foundation in Quebec, for example.

## **1.5 Information and communications technologies**

In this workshop, the conference speakers examined the following aspects related to ICT:

- recent trends in research;
- research on individuals' interactions with information systems;

- current research themes in system design and analysis;
- economic aspects of assimilation and the use of ICT in organizations and markets;
- governance and implementation of ICT in organizations, with an emphasis on successes and failures;
- transition from research to practice: case of risk management in information systems projects and pertinence of research related to the possibility of implementing projects;
- link between poor productivity of the Canadian economy and investments in ICT.

Several suggestions emerged from this workshop:

- having recognized the excellence of research in several areas of ICT, particularly concerning electronic commerce, it was suggested that researchers should examine emerging domains such as green ICT. Other questions regarding security also deserve to be explored;
- research on economic aspects of assimilation and the use of ICT in organizations and markets should be enhanced, given our lag relative to the Americans;
- research must continue, to improve the synergy between the business world and ICT professionals, and enhance the processes of organizations and develop the systems that would be most useful to them. This cannot be achieved without understanding and mutual communication between researchers, practitioners and managers. Websites such as [www.Quick-SAND.org](http://www.Quick-SAND.org) and [www.pmperspectives.org](http://www.pmperspectives.org), have been designed for this purpose, thanks to support from the SSHRC's public outreach grant program;
- given the considerable expenses incurred for implementations of ICT and the high number of failures, it is imperative that researchers examine the most promising approaches in ICT implementation. Especially because Canadian researchers are internationally renowned in the areas of corporate organizational alignment, implementation of enterprise resource planning systems (ERP) and knowledge management. The SSHRC's strategic initiative of mobilizing knowledge was praised in this context. It was suggested that the participation of professors in this type of activity be recognized for university career purposes;
- when researchers develop new methods of project management that are integrated in the Project Management Body of Knowledge (PMBOK), they should become institutional entrepreneurs;
- given that the difference in investment in ICT accounts for more than 50% of the productivity gap between Canada and United States, the following suggestions were made:
  - give tax incentives for investment in ICT in all sectors, to favour development of infrastructures in this area;
  - strengthen collaboration between researchers in the field that operate at the micro level and those adopt a macro perspective. The resulting research could provide a better understanding of the role of ICT in the Canadian economy;
  - ICT professionals must have sufficient knowledge of business to be able to integrate both areas in the labour market.

## **1.6 Supply chain and logistics**

The presentations made at this workshop covered the following themes: the role of research centres, creation of transportation spin-offs, smart merchandise transportation systems and logistics, smart transportation: promises and outlook; use of administrative databases in road safety research, and road safety research: a tool to facilitate decision making.

Below are ideas and suggestions from this workshop:

- Montréal is a global hub of research on transportation, on a par with MIT and Georgia Tech. This is due to a vast group of students and researchers, and the presence of two large research centres and four world class companies;
- future trends in transport planning point to formulation of dynamic and stochastic models. Current research reflects this trend with attempts to develop robust and flexible models to respond to dynamic problems of today;
- INRO specializes in developing transportation planning software: traffic simulation, road and destination selection, based on economic and ethnographic data. The company has clients in 80 countries, including 12 of the 25 largest cities;
- there is a hiatus between the leading-edge traffic control technologies - GPS, Internet and wireless sensors that provide real time data - and the use of these technologies. This should lead to the design of new methods to simulate networks and new short-term projection models based on real data, to better control traffic;
- research on the costs of congestion and emissions related to heavy transport must be improved, particularly relative to integration of urban transportation and other aspects of transport. To solve urban logistics problems, delivery in cities must be coordinated and centralized, which would require government intervention;
- research conducted by CIRRELT, in collaboration with SAAQ, shed light on decisions related to speed limits, blood alcohol levels, health conditions, seat belts, the use of cellular phones and child seats.

## **1.7 Energy and the environment**

Below are ideas and suggestions issuing from presentations in this workshop:

- to serve managers better, research must become more prescriptive and less descriptive (just tell me what to do);
- research in areas related to the environment, green finance has been relatively ignored;
- according to a study of Ontario companies in the renewable energy field, the main criteria considered in their investment decisions are: characteristics of the political environment, availability of qualified labour, natural wind conditions and regulatory policy;
- there is a consensus that during the next period of economic growth, the price of oil should reach levels ranging from \$200 to \$250;

- regarding renewable energy, projections show that over the long term they will not represent more than 20% of the energy used, and that fossil fuels will be the main energy source for the next 60 to 70 years;
- because the cost of transporting heavy goods is likely to increase considerably, we can anticipate an upturn of the American manufacturing industry, which will become more sensitive to energy costs. What public policies would allow companies to face these challenges? And what will China's share of the manufacturing sector be?
- how can one ensure that business and academia are highly involved in the area of public policy;
- the main challenge of the 21<sup>st</sup> century will be to find a way to store renewable energy, to favour its development;
- Atomic Energy of Canada wants to make Canada an energy superpower. The challenge is to implement nuclear energy and hydrogen systems, which do not produce emissions. However, we are not ready economically, industrially and in terms of social acceptance to see 3000 to 6000 nuclear reactors built around the world. Today there are 400;
- in a perspective of disruptive innovation, one must invest in what is, but also in what could be. Government initiatives can foster the advent of a new economy by favouring green energy, for example;
- there are five areas where research gaps must be filled:
  - the economy of climate change: a better understanding of the consequences of CO2 emissions, would lead to the study the impact of the political response to these changes, the inherent costs and the resulting opportunities;
  - favour understanding of the role of markets and economic issues such as carbon market;
  - the role of technology and innovation. A knowledge base must be developed regarding the strategy required to enlist public support and the role of government in promotion of technological development and innovation.
  - the role of public and private investment: in the context of major investments and support there are few knowledge bases to enlighten political decisions;
  - understand how to favour change in behaviour of companies and consumers. What factors other than the price of carbon should be weighed in decisions? Universities have an important role to play here.

## **1.8 Healthcare management**

Below are some ideas and suggestions arising from this workshop:

- whereas the top-down approach can support various change importance of the distributed leadership model in the healthcare field to ensure integration, both interdisciplinary and inter-organizational, of health care. This entails reformulating the structures and roles of different actors concerned as the change process progresses;
- to successfully carry out organizational transformation projects in the healthcare sector, it is preferable to adopt a mixed “top-down” and “bottom up” approach.

- This approach would serve to define the problems encountered in the field and propose adapted solutions, initiatives issuing from the base;
- a factor that favours integration of healthcare in integrated services organizations is physicians' liability and their collective accountability, which is supported by a mixed compensation mode that favours the value of care offered in terms of quality and optimization of costs rather than volume (number of acts). This mixed compensation approach separates compensation from the act and is based on combinations of the following compensation modes: salary, capitation, payment based on performance and lump sum per care episode;
    - structural barriers found in Quebec, related to the medical profession, are impeding the transformation process of health care: medical practice essentially based on acts, physicians practicing solo or in small groups in specialized silos, medical unionization with conflictual relations, lack of collective responsibility of physicians regarding the quality of care, cleavage between general practitioners and specialists;
  - solutions to compensate for this situation:
    - creation of a Quebec forum for exchange on integration of health services that brings together the key stakeholders, physicians first. The authorities should lobby to this effect.
    - ask the MSSS to take into account the key success factors of integration in negotiation with medical federations and in the review of the budget approach;
    - launch and support a pilot project or demonstration of integration with a CSSS (health and social services centre) with a project assessment process;
    - invite faculties of medicine and other health science faculties to better prepare future health care professionals to evolve in integrated service organizations;
    - invite health administration faculties to better prepare future managers to collaborate with clinical leaders;
  - information systems must be rethought and adapted to the processes and the integration of the flow of care production. Key success factors of integration are the sharing of clinical information required for teamwork and the collaborative approach to health care, the search for organizational innovations and tools that facilitate the work of clinicians, and implementation of information and telecommunications systems to meet these imperatives. Given that the success of its clinical automation projects is dependent on medical leadership, the leaders of these projects must be physicians respected by their peers. In addition, communication with patients at home via the Internet and telemedicine technologies is very important.

## **1.9 Corporate social responsibility (CSR)**

The following ideas and suggestions were raised at this workshop:

- there is a link between social responsibility and company performance. It is important to measure what aspect of CSR provides value to organizations. To do so, we must understand the points of view of consumers and executives. Marketing

- offers three useful concepts for this purpose: emotional, social and functional value. There is a deficit of knowledge concerning the emotional and social value of CSR;
- proposed research themes in CSR:
    - CSR as a new market opportunity for organizations;
    - impact of emotional and social value and functional value;
    - environmental and social impact relative to forms of organizations;
  - new approaches to measuring CSR in company performance:
  - study the value provided by CSR from the consumer standpoint. It seems that consumers do not buy “sustainable” products for their functional value, but rather for their emotional and social value;
  - focus on emotional and social value;
  - research should also examine these same forms of value relative to business executives;
  - researchers must expand their work to add to their knowledge of CSR and its link to organizational performance;
  - main criticisms of business schools regarding CSR:
    - training in management lags behind the realities of social responsibility;
    - predominance of studies on business cases;
    - lack of humanity;
    - deficit in the status of knowledge of social responsibility;
  - suggestions for solutions:
    - redefine research programs;
    - rethink the learning process;
    - train leaders, change agents that will engage in furthering social responsibility.

Concretely, three research programs can focus on a triple objective: the end of the year report, corporate social responsibility and responsible leadership.

## **1.10 Governance**

Governance of public companies, governments and the IMF was covered in this workshop. For the purposes of this summary, only the cases of public companies and IMF are discussed.

- Proposed solutions to governance problems:
  - change the ownership structure of companies; change the compensation structure of executives and officers;
  - increase the credibility and legitimacy of boards;
  - limit the investment latitude of pension funds;
  - ensure that boards are accountable for their actions and inactions;
  - improve protection from corporate takeovers;
- Interesting information:
  - in 1960, shareholders held shares for seven years on average, compared with 7 months in 2000. Today, earnings per share is the new mantra. Speculators such as hedge funds essentially play on short-term returns and do not create value, but they have a determining influence on the market and the future of companies;

- executives' remuneration consists mainly of stock options, at constantly increasing levels. In 1970, CEOs earned an average 25 times more than production employees. In 2000, this figure rose to 104 times;
- other suggestions:
  - to be competitive in a difficult market, firms must create value and avoid short term strategies to ensure their future;
  - this is possible with good boards of directors that offer guarantees of loyalty (to shareholders and the public) and trust;
  - compensation of officers is not the only solution, but one must ensure that it is established in line with company objectives;
  - boards must have trustee responsibilities, including a moral responsibility to shareholders.

#### International Monetary Fund (IMF)

- the International Monetary Fund supervises the global financial system and acts as a lender of last resort;
- it has been criticized in several respects. For instance, it does not sufficiently take the interests of poor countries into account, it performs poorly in the opinion of poor countries and many of its reactions and forecasts are failures;
- its board of directors is dominated by European countries, and the United States has a veto right. The current structure, which resembles a rich persons' club, is increasingly contested, particularly by emerging countries;
- the staff of the IMF is generally excluded from discussions, whereas members are mainly politicians that lack technical knowledge;
- its opinions are viewed as technocratic, short-sighted and impractical;
- problems with its staff: few promotion opportunities, little incentive for good performance and poor legal protection for technical errors;
- organizational problems: technocratic nature, with production of standardized notices that do not take into account the characteristics of the countries to which they are addressed, rigidity that prevents the IMF from facing new situations although it has considerable competent human resources that are not effectively managed;
- recommendations:
  - “bottom up” restructuring is necessary;
  - need for staff with experience in public policies and training in political economics;
  - fewer new graduates and more mid-career staff;
  - redefine decision-making authorities. The top level is occupied by politicians who are pushing to make sure everything is in line with the policies of their own countries;
- in conclusion, the role of the IMF is too important for these problems to be ignored.

## 1.11 Ethics

Here are some ideas expressed during this workshop:

- there is room for moral philosophy in business schools. If doing management means deciding and acting, ethics applies to guiding decision-making and action;
- the aim of ethics is to serve the public interest, whereas the mission of business schools is to serve the interests of the business class. Generalization is not an escape hatch: what is good for a company is not necessarily good for society;
- ethics encompasses much more than codes of ethics and prevention; it concerns the public interest. We should question the concept of the public interest among management professors that investigate business ethics: do they adopt an approach similar to that of their counterparts in the social sciences? Management schools have responsibilities in the education they offer;
- the most appropriate question would be how to be ethical and profitable at the same time. Ethics thus passes from a means to an end. For a company, it is possible to be both profitable and ethical;
- ethics concerns not only individuals but also society. It covers both the objective side of behaviour and the subjective side that explains the reasons for this behaviour. Ethics is a puzzle with four pieces that extend over three levels; circles of dialogue put in place at Adecco-Québec favour exchanges of points of view between employees and the company. At Adecco, these values place humans at the heart of action. The management philosophy that supports them rests on teamwork, interdependence of individuals, their empowerment and autonomy;
- at Cascades, ethics signifies threefold respect: for individuals, communities and the environment. It is notably translated by the fact that all of the company's products are made from recycled materials, and by the open door policy, profit sharing and strict compliance with health and occupational health and safety standards, as well as by its involvement in the communities where it operates;
- a happy work environment is conducive to better living, and social corporate social responsibility can demonstrate that ethics engages and mobilizes the entire staff.

## 1.12 Non-profit organizations

Non-profit organizations contribute \$29.1 billion to GDP, or 2.6%. If one considers volunteer contributions, this equals an additional 1.7% of GDP (estimate from 1997), the equivalent of 1.7 million people working full time. Including foundations, the total is \$51.2 billion.

Companies in the social economy are efficient and optimal where other players (state and for-profit companies) fail. For example, they may produce: complementary public goods, as a delegation of public power; goods of confidence (e.g. fair trade and other certification); solutions to market power, to serve as a counter-power.

A few suggestions:

- it is essential to find new financing models based less on charity and more on new concepts of social economy, social innovation, social enterprise and social finance. This is a real challenge for the sector and must be taken into consideration by governments;
- because it does not help its non-profit organization sector, except for some provinces, Canada has a competitive disadvantage in this sector compared with other countries. There is a lack of recognition by the federal government and failure to develop strategies to investing and support social innovation, social enterprises and the social economy, unlike other countries. The situation is even more serious because Canada was formerly in a fairly privileged situation;
- elements to favour in amending the legislation: First, we must differentiate NPOs from public companies and give them due recognition by defining them positively rather than negatively, as is currently the case. A non-profit organization or corporation is 1) a legal person 2) made up of at least three people 3) holding a meeting of members and having a board of directors 4) having a democratic management mode 5) having organizational and functional flexibility because an NPO can be a place of innovation that must not be constrained by default 6) whose eventual earnings must not be distributed among the members during the life of the organization or upon its dissolution;
- other changes to the legal status could include: 1) unlimited capacities 2) mechanisms that allow better capitalization 3) accountability mechanisms adapted to effective actions, i.e. that may vary over time according to the actions of the association, to maintain flexibility and avoid creating a heavy task load unnecessarily;
- issues concerning financing of associations: 1) “patient capital” (15 years before repayment) is necessary 2) sufficient capital must be amassed to allow unrestricted growth 3) one must pay attention to the pre-start-up phase to ensure that the sector or idea is not taken up during the expansion phase by for-profit companies that would then complain about disloyal competition by NPOs 4) foresee an exit strategy, such as a non-speculative market, and 5) protect the integrity of collective governance.

### **1.13 Innovating companies: video gaming and arts**

Below is a summary of the conclusions of the report from this workshop, specifically the highlights of the presentations on this theme.

The workshop covered the benefits, problems and administrative practices of companies working in the arts and video gaming. The themes showed that the creation sector is characterized by constant innovation and that it may be a solution to the economic crisis and a comparative advantage for the city of Montréal. The crossroads between the arts, technology and design represent a new growth market in which companies should invest. Artistic products can also be exploited as trademarks, which could generate higher profits.

Nonetheless, this workshop pointed to critical problems faced by companies working in the areas of arts and video gaming. The rapid pace of change creates a problem of generational incompatibility, and makes it difficult to protect patented innovations and obtain financial support from public administrations.

In addition, creation processes are inherently difficult to manage. Often, success does not depend solely on the artist's talents. This is why organizations must put in place administrative practices that neither control nor restrict artists' actions, but rather that facilitate the creation of an environment that favours the spontaneous expression of creativity. They should facilitate the creation of social networks for the diffusion of innovation and encourage participation in decision making processes at all levels. They should also invest massively in their human resources management practices to attract and develop the best talent, and ensure satisfaction at work. Lastly, this workshop clarified several indices that illustrate the potential of these innovating companies and the ways to harness this potential to benefit Montréal, Canada and society as a whole.

## Section 2

### Reflection for business schools and faculties and the SSHRC

Because the Forum was organized by HEC Montréal, in cooperation with business schools and faculties and the SSHRC, it is important to highlight the main findings of the forum for both partners in line with the objective: assessing the impact of management and its disciplines on the development of comparative advantages in Canada in the areas of entrepreneurship, knowledge and human capital.

This exercise was performed by the Forum coordinators based on the reports by doctorate students and on discussions both within and outside the workshops. It consisted in analysing the content of presentations and deliberations relative to our understanding of the main concerns of the SSHRC and business schools and faculties, regarding in particular the quality of management education and research, dialogue between researchers and business people, interdisciplinarity and innovation. The entire analysis takes into account the federal strategy in science and technology, the comparative advantages sought and the sectors of excellence favoured in the strategy.

The Forum examined management from three angles: particular functions (finance, accounting, finance, IT, etc.), specific industrial sectors (healthcare, energy and the environment, transportation, NPOs, etc.), and topical questions (governance, ethics, innovating industries such as arts and video gaming). Through these various perspectives we noted the specific features, complementarity and divergence of views, along with an evolving disciplinary field. Some universes of knowledge were well developed and articulated, while others were trying to find a path both within management and at the frontiers of management and other disciplines.

#### **2.1 Does the Forum provide indicators that could judge management research in Canada and establish that this knowledge is “world class”?**

Even if they were not formally invited to answer this question, the researchers and business people that attended the forum spoke freely on this topic. Three studies presented at the Forum replied to this question directly.

The first study was the report entitled Better Research for Better Business,<sup>3</sup> written by an external Expert Panel created by the Council of Canadian Academies. This report, which was presented at the Forum, stated that:

- 93% of the published papers on management were produced by university-based researchers;
- 65% of articles originated from within business schools and faculties;
- 68% of articles come from Ontario and Québec;

---

<sup>3</sup> Better Research for Better Business, The Expert Panel on Management, Business, and Finance Research, The Council of Canadian Academies, September 2009.

- 50% of these publications are generated by researchers associated with seven institutions;
- according to Thomson Reuter, Canada ranks third in the world for number of articles in management/economics and for citations; regarding the impact of these articles, Canada holds seventh place;
- the number of publications by Canadian researchers is above the world average in six sub-fields of management (information management, management, tourism, healthcare management, computers, general management, and organizational studies and human resources) and equal to the world average in one sub-field (business management);
- the impact of these publications is greater than the world average in seven fields (information management, computers, organizational studies and human resources, management, tourism, marketing and finance) and equal to the world average in one sub-field (business management);
- the number of publications by Canadian researchers in the four fields identified in the science and technology strategy (information management, health/life sciences, environment, resources and energy) exceeds the world average, and their impact is higher than the world average in three fields out of four.

The second study is by Howard Thomas, dean of the Warwick Business School and President of the AACSB. He addressed this question from the perspective of institutions, and asked whether business schools and faculties in Canada were world class. Before answering the question, he rightly points out that the leading business schools and faculties around the world are in their fourth stage of development. At first, business schools and faculty were trade schools. The second stage ensued from the Carnegie Report.<sup>4</sup> Following this report, business schools and faculties slowly but irreversibly began to consider management as a scientific discipline, which led to the introduction of mechanisms designed to develop research in administration/management. Fuelled by this report, management gradually became a research discipline. Thomas asserts that the third stage began with the publication of the first ranking of business schools and faculties by *Business Week* magazine. This ranking triggered reactions ranging from rage to satisfaction, along with myriad questions regarding the reputation, prestige and status of each institution. Despite the flaws attributed to rankings, business schools and faculties used the criteria of the ranking process to review their activities. The most evident impact was manifested in MBA programs: MBA models of the best ranked institutions, the vast majority of which were in the United States, became models of inspiration in the USA, Canada and Europe. The fourth phase is the current status, summarized in three words: certification, growth and globalization.

Concerning certification, in 1996 the AACSB certified 300 business schools and faculties, nearly all of which were based in the United States. In 2009, 568 institutions received certification, many of which were outside the United States, notably in Canada. In addition, in 1997 the EFMD became the second certification organization in the world. In 2009, this European body certified 118 European, Canadian and Asian institutions.

---

<sup>4</sup> Carnegie Report on Higher Education, Carnegie Foundation, 1980

Concomitantly, the AMBA began to certify MBA programs: in 2009, 161 programs were certified. Regarding growth, in 1997 the Global Foundation for Management Education listed 12,000 business schools and faculties in the world, and mentioned that the actual number was higher; the GFME could not produce a complete census for Asia and Africa. Concerning globalization, the impact is most evident in education programs and research activities. A large number of programs have been adapted to this reality. The number of scientific conventions and research projects that cover globalization has also expanded considerably.

The evolution described by Mr. Thomas applies perfectly to the large schools and faculties in Canada. In contrast, the smallest institutions concluded that the models used in international rankings and certification criteria did not correspond to their reality. They also noted that they did not have sufficient resources to develop a research capacity that would allow them to rise through the rankings. This does not rule out the fact that some of these universities had attained high levels of excellence in some fields, providing, of course, that they have chosen the right niches and concentrated their resources therein.

Following his presentation, Mr. Thomas examined the positioning of business schools and faculties using the ranking published by the *Financial Times*. He asserts that schools and faculties can be divided into six subgroups. Subgroup 1 includes schools and faculties at the top (top 15), namely 13 schools and faculties in the United States whose reputation is world class and very well established, and two European institutions. They are followed by six subgroups that cover 85 other institutions. Canadian institutions fall into subgroups 3 and 4.

He then repeated the exercise, this time using only the research criterion from the *Financial Times* ranking. He found that subgroup 1 remained the same, but subgroups 2 and 3 changed: one Canadian institution rose to subgroup 2, two were found in subgroup 3, whereas several European institutions (except those in subgroup 1) slipped to subgroup 6. He concluded that in Canada, some institutions perform very well in research, often better than European institutions, including those in the United Kingdom.

Howard Thomas went on to stress that research is essential for the development of business schools and faculties, regarding both their reputation and legitimacy, and that it is necessary to support and supply high quality education. He invited researchers to pay attention to complex multidimensional problems, without neglecting research on questions associated with management practices and management as a profession. Institutions and researchers must put in place mechanisms that allow them to rally researchers and practitioners around the following question: “Where is the voice of practitioners in research, especially in management research?”

In his conclusion, he shared some observations related to public policies. For one, most research and publication activities in management are concentrated in a few institutions: 10-15 in the United Kingdom and 7 in Canada. He adds that in his view there are still problems of capacity in many countries. He questioned the impact of the fund allocation process of funding agencies on such results.

In his presentation, Michael Bloom, Vice-President of the Conference Board of Canada, addressed these questions by drawing attention to education: are students ready to participate in developing Canada's competitive advantage? Does their education allow them to support innovation that Canadian society needs? To answer these questions, he quoted the results of a survey<sup>5</sup> of business leaders, the government and non-profit organizations. The views of these decision makers can enrich the debate that began more than ten years ago between specialists in academia. They represent the opinions of those that hire the graduates. The Conference Board results indicate that

- the overall grade given to graduates is a B;
- graduates are highly appreciated by employers, recruitment is excellent and demand continues to increase;
- employers give skills such as analytical capacities, knowledge of finance, potential to generate ideas and innovate an A grade;
- employers mention that some skills do not meet their expectations, particularly leadership, communication and judgment (wisdom);
- they question the expectations and values of new graduates;
- they add that an overall grade of B is not sufficient, we must aim for an A; it is essential to develop Canada's competitive advantage;
- they invite the administrators of business schools and faculties to rethink the strategic directions of programs offered.

In his conclusion, Mr. Bloom asks and answers three questions. First: is education adequate to obtain the expected results? Answer: an overall grade of B is good, but Canada needs an overall grade of A. Second: do programs produce sufficient numbers of graduates to build Canada's competitive advantages? Answer: no, because Canadian programs produce fewer graduates than those of the most innovative countries. Third: should development of research in management in Canada be accelerated? Answer: yes, but it is preferable to favour a concentration of researchers and avoid casting too broad a net, to use a popular expression.

To summarize, he observes that research in some fields of management in Canada is world class, whereas other fields have not yet reached this level. Regarding education of management students, the employers' response is that graduates' skills are good, but they hope to see them reach excellence.

In Canada as in other countries, research is done in universities and tends to be concentrated in a small number of institutions.

Yes, better research would lead to better management, and to better management teaching. Herbert Simon says that "A business school without research is a wasteland." In his speech, Michael Bloom added that "we focused on graduates oriented to the professional

---

<sup>5</sup> Report Card On Management, Business and Finance Education in Canada: Are Graduates Ready For Business? The Conference Board of Canada, August 2009

stream, the quality of those graduates depends heavily on the strength of research and instruction.”

Therefore, we must invest more in management research and in doctorate programs, support young researchers and ensure that management professionals participate in research, particularly to identify research subjects and the sharing of research results.

**2.2 The federal strategy in science and technology indicates that we must develop three competitive advantages in the areas of knowledge, human capital and entrepreneurship. It also identifies subjects to which Canada must devote particular attention: ICT, health and life sciences, science and environmental technologies, natural resources and energy.**

Examining management with these orientations in mind is not an easy task, but the Forum nonetheless yielded several findings. We have reformulated these orientations into five sub-questions:

- can we say that Canadian research in management is the source of a competitive advantage for our country?
- does management education allow us to say that we have human capital that can be described as a competitive advantage?
- do management faculties and schools contribute to developing a competitive advantage in entrepreneurship?
- how have business schools and faculties contributed to the goals mentioned in the strategy for science and technology, in terms of both research and teaching?
- more generally, what is the role of management in the development of the country’s competitive advantages?

**2.2.1 Research in management: a competitive advantage?**

This question was indirectly addressed in Section 2.1. The results described indicate a preliminary positive response. However, the report by the Conference Board<sup>6</sup> contains criticisms of management research. It mentions Ghoshal’s opinion that management researchers have proposed poor theories, whereas Bennis argues that business schools and faculties use a poor model of excellence, which consists in measuring success based mainly on the quality of articles rather than the quality and skills of graduates and the capacity of professors to understand the secrets of business performance. The report underlines that these criticism are called into question by several researchers, including Moss-Kanter, who believes, on the contrary, that research is appreciated by managers.

In their presentations, some researchers spontaneously positioned their field of study relative to a competitive advantage. For instance, Professor Laporte mentioned that Montréal is a hub of global excellence in the fields of transportation and operational

---

<sup>6</sup> Report Card On Management, Business and Finance Education in Canada: Are Graduates Ready For Business? The Conference Board of Canada, August 2009

research. In his view there are three world class forums in this area: researchers from Montréal (mainly from HEC Montréal, École Polytechnique, Université de Montréal, McGill University, UQAM and Laval University), grouped in the CIRRELT (Interuniversity Research Centre on Enterprise Networks, Logistics and Transport) and GÉRAD (Group for Research in Decision Analysis), and the research groups of MIT and Georgia Tech.

Likewise, Professor Barki mentioned that a recent analysis showed that the 30 best research centres in the world in IT include five Canadian universities: University of British Columbia, University of Calgary, Queen's University, HEC Montréal and McGill University. He adds that of the 30 top researchers in the world, six are in Canada.

Professor Benbasat listed the fields in which Canadian expertise is globally recognized: electronic commerce, cognitive processes and decision support systems, IT adoption, implementation and management and studies of coherence between ICT strategy and global corporate strategy.

### **2.2.2 Research in management: a competitive advantage?**

In his presentation, Michael Bloom took up the debate on management education, which has prevailed in academia for several years. The report by the Conference Board reviewed the main critiques, including that of professors Mintzberg and Pfeffer.

Professor Mintzberg argues that MBA programs should be reserved for students that have good experience in management practice. In addition, teaching should rest on sharing of experiences between students, which the professor would facilitate and enlighten with thoughtful contributions. He thinks this approach is the only one that can help students discover what knowledge is essential in order to become an excellent manager. The Conference Board report underlines that many have tried to follow this path, but calls for prudence because despite these critiques, the number of students in MBA programs is increasing, and graduates are finding quality, well paid jobs.

Professor Pfeffer lobbed more pointed criticism. In his view, business schools and faculties have developed programs whose sole objective is to generate the type of graduates desired by companies, in a market-style response. He adds that they also favoured the development of research projects that follow the same orientation. Consequently, programs have stopped training graduates to think critically, and express personal views. Research interests have begun to stray from questions that are not popular, topics that may not interest managers over the short term.

The question of education stoked the debates in the workshop on management. Professor Mintzberg reviewed critiques of management education programs and added that management professors often present outdated models and place too great an emphasis on leadership and not enough on management. He contends that this type of message invites top managers to spend time trying to be leaders instead of trying to be good managers, and trying to develop and build community ship.

Marcel Coté focussed on two aspects. First, he observes a gap between teaching, research and management practice, as if there were no link between these three dimensions. He shared his vision of the differences between management of large American companies and that of large companies in Western Europe. In his opinion, as part of their education European managers learn to deal with diverse cultures, communities and regulations, whereas Americans learn to operate in a vast market in which practices and regulations are much more standardized. He maintains that this difference creates an advantage for European managers.

Professor Dastmalchian does not question the quality of management education, but he proposes to enrich it by integrating more teaching related to ethics and values, and questions the pertinence of agency theory in management education.

Adding to this debate, Professor Hafsi points out that management training is good, but it would be better if more attention were paid to the complexity of management problems and integration of knowledge. In his opinion, the teaching of various components of management need not be called into question, rather one must determine how to integrate each of the components into a coherent, complete whole.

In an effort to better understand the differences between the managers in various countries, the Institute for Competitiveness & Prosperity, in Toronto, replicated a study done by Nick Bloom of Stanford University and John Van Reenen of the London School of Economics, intended to determine best practices of managers in the Canadian manufacturing sector and compare the results with those of other countries. The conclusions of the study, presented by James Milway at the Forum, indicate that:

- managers in the Canadian manufacturing sector are ranked among the best in the world;
- Canadian managers perform as well as their counterparts in Germany, Sweden and Japan, but not as well as those in the United States;
- the best trained managers perform better than the others;
- Canadian managers excel at adopting and applying operational processes;
- managers excel at applying practices associated with lean management, but do worse with respect to other management practices;
- managers from Ontario are among the leading managers in Canada, whereas those in Québec rank last.

Can we conclude that business schools and faculty train human capital that gives Canada a competitive advantage?

Based on the criticism of some participants at the National Forum on Management, it is difficult to answer yes to this question, but some reservations are needed. This conclusion should be nuanced, and may even be rejected because graduates are finding jobs, and those in the MBA program are sought after by employers that the Conference Board surveyed.

Similarly, the results presented by Milway indicate that there are signs of excellence in some managers in the Canadian manufacturing sector and signs of weakness in others.

To summarize, the various presentations did not provide a clear answer to this question. However, the Conference Board study presented by Milway, and the fact that graduates can easily find jobs, are signs that human capital is of much better quality than the criticism of management education would imply.

### **2.2.3 Entrepreneurship: a competitive advantage?**

The federal strategy for science and technology specifies that the competitive advantage in entrepreneurship originate from two sources: commercialization of research results and/or expertise in entrepreneurship as a sub discipline of management.

Concerning commercialization of research results, researchers in two sub disciplines of management spontaneously mentioned that their research had generated companies. In her presentation, Professor Rivard said that the company GlobeImpact is the fruit of the research results and that significant development of another company was strongly influenced by the results of the PMBOK project.

Professor Laporte maintains that projects concerning transportation, logistics and operational research by group of researchers in Montréal led to the inception of four world-class companies: INRO, GIRO, ADOPT and EXPERTIO.

In the video gaming and arts workshop, the researchers noted that business opportunities are plentiful, and that they emerge from the intersection of scientific research, technology and artistic creation: the stronger the convergence, the better the business opportunities. The president of Réalisations.net and Professor Cohendet underlined that these business opportunities are the fruits of scientific creativity, technological innovation, creativity and artistic innovation. Scientific research alone cannot foster these business opportunities. Professor Cohendet adds that this new phenomenon is driving the transition from an industrial society to a creation society, which will profoundly transform economic life. He affirms that these changes are already perceptible. For example, cities are being ranked in terms of creativity, and Montréal ranks fifth in the world.

These testimonials do not demonstrate that commercialization of research results in management is a competitive advantage per se, but they illustrate that the results of research in management may lead to marketable results. The National Forum on Management may not have been the best vehicle to answer this question. However, there is every indication that the examples mentioned are the tip of the iceberg, and that more in-depth research would be needed to go further. The Canadian Federation of Business School Deans (CFBSD) should be the engine behind such research, and should produce a document that highlights these contributions and disseminate it to all stakeholders. This would surely enhance the perception of management research.

Identification of entrepreneurship as a competitive advantage necessarily entails examining entrepreneurship as a management discipline. In his presentation, Professor Anderson notes that research activity has increased significantly during the '90s, that the quality of research has improved and that the diversity of topics covered has changed. He mentioned the emergence of new themes such as entrepreneurship and development, social entrepreneurship, and entrepreneurship and education. Professor Filion drew attention to the link between culture and society and entrepreneurial activity, and the teaching of entrepreneurship in some business schools and faculties. He thinks that Quebec and Canadian cultures are fairly ambivalent toward entrepreneurship: positive messages are often followed by negative messages. It is as if entrepreneurship were simultaneously loved and disliked. Professor Honig revisited the question of culture and entrepreneurship and examined the pertinence and merits of changing culture. Professor Gasse said that he prefers to concentrate on the quality of projects proposed by entrepreneurs and on the economic policies that can influence the level of entrepreneurial activity.

Can we say that entrepreneurship as a scientific field gives Canada a competitive advantage? The Forum has not provided an answer to this question, but it does suggest that in this field there is an active community of Canadian researchers, and that these researchers are important players in the global network of researchers in entrepreneurship.

Given that the strategy for science and technology lists entrepreneurship as a competitive advantage for Canada, that the Wilson Report emphasizes the importance of entrepreneurial ambition and entrepreneurial and innovative strategies, business schools and faculties should seize this openness, this opportunity offered to develop and present an action plan to attain the objectives defined in these two documents.

#### **2.2.4 What is the contribution of management research and education to the priorities established in the federal government's strategy in science and technology?**

The only answer to this question is that contained in the report by The Council of Canadian Academies,<sup>7</sup> presented at the Forum. The report concludes that:

- overall, the number of papers produced by management researchers in each strategic area has increased three- to fourfold between 1996 and 2007;
- information and communication technologies is the area with the highest increase of papers;
- for each strategic area, the number of papers is above the world average;
- for three of the priorities (ICT, environment, energy and natural resources), the measured impact is higher than the world average. For health, the result is 0.9, versus the world average of 1.0.

---

<sup>7</sup> Better Research for Better Business, The Expert Panel on Management, Business, and Finance Research, The Council of Canadian Academies, September 2009.

The moderator of the workshop on energy and environment, Professor White, insisted from the outset that dialogue should continue to properly explore the aspects of a potential competitive advantage for Canada in energy and the environment. This message was not discussed further in the workshop.

In the ICT and healthcare workshops, this question was not raised, except that healthcare researchers mentioned the need to bring together ICT and healthcare if one wanted to achieve breakthroughs in healthcare.

### **2.2.5 What role does management play in creating competitive advantages for a country?**

This question was not addressed directly in the federal strategy for science and technology and appeared a few times in the Wilson Report. For management specialists, this topic constitutes a main concern. For example, commercialization of research results usually follows one of three paths: selling research results to a person or company that will use them according to their priorities; taking on a partner that will exploit the research results; and creating one's own business to exploit the research results, alone or with partners and/or investors. In all cases, the major questions are questions of financial investment and estimation of the economic value of the research results, questions related to marketing, organization and strategy, ownership rights or a partnership agreement of some form.

When the authors of the Wilson Report affirmed that Canadian companies must become more competitive and entrepreneurial to face stronger foreign competition," they were directly addressing company managers and executives. To respond to this suggestion, executives must examine, evaluate or change the strategy they put in place, and review profit sharing systems and investments. The quality of management's response will indicate whether a company is heading along the path outlined in this report.

Here, management plays a key role.

At the Forum, this question was addressed by the Executive Director of the Institute for Competitiveness and Prosperity, James Milway. In closing his presentation, he underlined the messages contained in the report:

- strong management underlies productivity;
- management skills are important in all innovation systems;
- we must ensure that our managers in the manufacturing sector maintain the competitive advantage conferred by the quality of their management;
- effective management is important for the prosperity of a country, and it is essential to maintain the level of excellence in innovation;
- good management favours and drives innovation;
- Canada's innovation policy does not recognize business innovation and process management

The question was also addressed directly by Professor Mintzberg, who contended that companies need more managers and leaders, particularly middle managers. Professor Hafsi

added that management has a major role to play in integrating the various facets of the company in a coherent whole: it is the only way to attain fruitful cooperation among everyone working in a company. In his presentation on the financial crisis of 2008-2009, Professor Allaire examined the context in depth, along with various market stakeholders' expectations of managers and especially how they reacted to pressure. He took the analysis further by underlining the crucial role of managers in this crisis: they responded to the expectations of investors and shareholders by forgetting what had spurred the success of their companies for several years.

### **2.3 Dialogue between researchers and the business world, and researchers and management professionals: a problem, a reality or an urban legend?**

During the National Forum on Management, the question of dialogue or relations between researchers and managers (practitioners, professionals, consultants, etc.) surfaced in several workshops, in various forms. Invariably, the participants described the dialogue as being difficult or non-existent. The comments that appear in the report Better Research for Better Business were echoed almost identically by several speakers. These comments were gathered from 43 people, most of whom can be considered potential users of research results. The comments are as follows:

- university research is largely inaccessible [...]published in journals [...]in language that is steeped in theory or jargon and is difficult to read
- researchers are generally not inclined to conduct research on issues of immediate relevance to businesses;
- because research can often take years for publication, answers to questions are not suited to short or medium term requirements;
- researchers and practitioners do not make an effort to communicate with one another;
- lack of knowledge transfer by Canadian researchers is perceived as a weakness of management research in Canada;
- however, transfer centres in Québec are forums where researchers, professionals and business people interact and exchange ideas.

To clearly understand the issues raised by these comments, it is useful to divide them into sub-questions. An absence of dialogue may signify divergent fields of interest or different motivations. It may also reflect a lack of effort to stimulate dialogue. Alternatively, it may mean that the partners in dialogue perceive dialogue or the subject of dialogue as irrelevant.

Let us begin with the aspect of fields of interest: many of the topics covered at the Forum have stimulated discussions among business people, management professionals and society as a whole for the last part of 2008 and all of 2009. At the Forum, the financial crisis was undoubtedly one of the most discussed topics, particularly in two major presentations and three workshops.

The public conference given by John Micklethwait, Editor in Chief of *The Economist*, entitled “**World Economics and Geopolitics: What We Have Learned from the Crisis and What Lies Ahead?**” addressed this question directly. This conference attracted more than 400 people from the business world and academia, and was followed by an interesting exchange between business people, researchers and the conference speaker. Professor Allaire’s conference tackled this question directly. He presented his analysis of the crisis, its origins and driving elements, and the role of regulation. He raised the analysis to another level to reflect on the behaviours of top executives, and the link between bonus systems and the crisis. After that, he reviewed the influence of organization models on the crisis and discussed the crisis relative to capitalism. He ended his presentation by proposing recommendations to avoid another crisis

Many aspects of the crisis were covered in specific presentations. The finance workshop devoted much attention to sub-questions relating to the heart of the crisis. Professor Dionne addressed the question of risk associated with structured financial products. He ended his presentation by stressing that poor risk assessment, due partly to the complexity of new financial products, is one of the major causes of the financial crisis of 2008-2009. In their respective presentations on derivatives, Professors Erickson and Kristofferson reinforced the message of Professor Dionne by demonstrating that the problems attributed to derivatives do not originate from the validity of measures used to measure risk, but rather from an abuse of trust in this type of product. Professor Rousseau and legal expert Mr. Amyot presented their points of view on regulation to be put in place in order to avoid this type of crisis, and described the impact of executive compensation on their behaviour before, during and after the crisis of 2008–2009.

In the accounting workshop, the researchers clarified the crisis from another angle by discussing the role of audit committees and the principles of governance in situations of financial fraud. In the discussions, they tried to demonstrate the importance of the quality of financial information as a means of preventing fraud and the importance of providing sufficient information, which should increase vigilance. Even if the crisis cannot be reduced to a case of fraud, this theme has sparked discussions by several experts and especially many members of the public.

The participants in the workshop on governance asked several times if the financial crisis was the result of poor governance. For example, Professor Allaire underlined that several experts believe that the crisis was caused by excesses of some executives and by negligent governance by some boards of directors. He then examined several practices of problematic governance and concluded his presentation by proposing six measures intended to improve governance and thus avoid crises like that of 2008-2009. Professor Paquet countered that transparency does not solve governance problems, but leads companies and governments to enhance the quality of their governance. Note that the discussions in the workshop on governance and those in the workshop on accounting converged in particular on the question of the financial crisis and governance.

In conclusion, it is clear that in their presentations at the National Forum on Management, many researchers demonstrated that they were highly interested in the financial crisis of

2008-2009 and that their interest was fairly close to that of business people and management specialists. In addition, the presentations showed that researchers were able to provide answers to several questions that the public asked and continue to ask about the financial crisis. It is therefore misguided to say that the problems encountered in the researcher-businesspeople dialogue reflect diverging interests.

Could the difficult dialogue between researchers and businesspeople be due to the absence of mechanisms to facilitate this dialogue or to the absence of effort to maintain it? The National Forum on Management was a golden opportunity to foster this dialogue. The opening speech given by John Micklethwait attracted over 400 people, mostly from the business world. In addition, this event was organized in partnership with the Montreal Council on Foreign Relations. The presentation by Professor Allaire on the crisis of 2008–2009 also attracted business people, public administrators and researchers, as the questions raised during the discussion attest.

Of the 76 presentations and 7 plenary conferences given at the National Forum on Management, 31 of the speakers were businesspeople, professionals, public managers and directors of NPOs. Of the 35 workshops, 10 were led by people from the socio-economic sector: business people, journalists, professionals and administrators.

The report by The Council of Canadian Academies<sup>8</sup> highlights the presence in Québec of transfer centres, including CIRANO. These centres aim to bring together researchers and decision makers or potential users of research results, which certainly includes the role of transfer of research results.

Some researchers emphasized the availability of tools to facilitate interactions with the sector: Professor Florian mentioned the development of the EMME software toolkit, which allows transportation specialists to simulate a broad range of traffic situations and the impact of this traffic on the environment, such as estimating the volume of CO<sub>2</sub>. Professor Bellavance spoke of a fruitful research collaboration with the Société d'assurance automobile du Québec in transportation safety. This message was repeated by Lyne Vézina, who described research on the reduction of road accidents. Professor Parsons noted the development of a tool to facilitate dialogue between researchers and business people-- Quick-SAND.org--, developed thanks to a public outreach grant from the SSHRC. Along the same lines, Professor Reich underlined the development of pmperspectives.org, a tool that facilitates exchanges between project managers and researchers, also made possible by the SSHRC and its public outreach grant initiative.

In all the workshops, there were discussions among researchers, businesspeople and public sector managers. In particular, fruitful exchanges took place in the healthcare, energy-environment, NPO, corporate social responsibility and innovating companies: video gaming/arts workshops.

---

<sup>8</sup> Better Research for Better Business, The Expert Panel on Management, Business, and Finance Research, The Council of Canadian Academies, September 2009.

Looking at the proceedings of the Forum, it is clear that not only is dialogue possible between these partners, but it indeed exists and is actually thriving. In addition, if the National Forum on Management is a faithful representation of reality, the problems of dialogue between these parties thus stem from an urban legend: it is an unconfirmed belief.

There would then remain a problem of perception: perception regarding the pertinence of research or perception regarding the absence of dialogue, or that dialogue is useless. This is a question that the SSHRC and CFBSD should consider.

#### **2.4 The SSHRC's policies encourage researchers to engage in greater interdisciplinarity**

Everyone is in favour of interdisciplinarity, but putting it into practice remains a challenge. While preparing the Forum, we did not ask researchers or other participants to exhibit interdisciplinarity. However, we chose some themes that encompass research in several disciplines. For example, ethics interests researchers not only in management, but also in philosophy, theology, law and sociology. Healthcare interests researchers in management, medicine, psychology, sociology, public administration and ICT. Governance interests practically all disciplines found in the social sciences, but also the disciplines of health, energy and environment science. Logistics and transportation interests researchers in management and operational research, mathematics, health and public administration.

Beyond the program and based on the way the National Forum on Management unfolded, we reached two conclusions regarding interdisciplinarity: the most promising themes in terms of interdisciplinarity are those that emerge when researchers study one sector of activity. Interdisciplinarity should not be imposed from the outside.

The healthcare workshop was structured around three questions: integration of healthcare services, breakthroughs in terms of quality, accessibility and costs; and change and innovation. Presentations were made by researchers in management and healthcare administration, public managers specializing in healthcare and a doctor that directs a hospital.

At the workshop on logistics and transportation, the research results of management professors, mathematicians, healthcare specialists and operational researchers were presented and discussed.

The workshop on energy and the environment brought together researchers in management, business managers and public policy specialists.

The workshop on innovating industries featured contributions from management researchers, business executives and public managers. In the discussions, the speakers demonstrated a conviction that this sector rests on technological innovation, creativity, management and public policies.

In the workshop on non-profit organizations, participants discussed management in the broad sense, but also the specific topics related to management of NPOs, law, public policies related to NPOs (in particular financing policies), private companies that create NPOs to receive government subsidies, governance, the legal framework of NPOs and the necessary amendment of laws governing NPOs.

The observations above indicate that interdisciplinarity is self-imposed according to the research subjects in which researchers collaborate. One does not engage in interdisciplinarity to feel virtuous, but rather because it is necessary to improve the quality of research and to find solutions to the increasingly complex problems that society faces.

In conclusion, the SSHRC may see the emergence of more interdisciplinary research in projects that are very close to business sectors. In addition, disciplines that are likely to collaborate tend to choose each other voluntarily rather than in response to external pressures. However, endorsing interdisciplinarity for disciplinary research is a waste of time. Good researchers aim first at establishing and maintaining their reputation in their discipline before turning to other disciplines.

## **2.5 Innovation: a private preserve for products or a more complex reality?**

The specific theme of innovation was not addressed at the National Forum on Management, but this did not prevent some researchers and participants from discussing it. The following findings emerge from the exchanges:

- innovation is the work of human beings (Gaffield);
- it is misleading to establish a direct link of causality between innovation and economic growth; economic growth occurs when a company uses an innovation to spur its development (Gaffield);
- in Canada, universities occupy a central place in innovation (Gaffield);
- a partnership between people can be a forum for innovation (Jolin);
- in Canada, people are not prepared to become innovators (Filion);
- a course on innovation should be part of basic courses in all university disciplines (Filion);
- the history of innovation should be taught (Filion).

Not only is innovation the result of human activities, but it is also a major concern for several management specialists.

The ICT workshop contained many references to process innovation. For example, Professor Parsons underlined the importance of innovation in the development and implementation of new systems, whereas Professor Reich raised the question of the impact of new technologies used in ICT projects on people and organizations. In the last presentation of this workshop, Professor Waverman said that 40% to 50% of growth in productivity is attributable to ICT investments, and that 50% of the product gap between Canada and the United States is explained by the difference in investments in ICT. This affirmation corroborates the results obtained by researchers at CEFRIO in Québec.

In the workshop on innovating companies, Professor Cohendet explained that in the case of gaming and artistic companies, scientific creativity usually associated with technological innovation combines with artistic creativity observed in artistic innovations to fuel innovation. Later in the discussions he added that innovation is nourished by a combination of arts, business and technology.

Professor Colbert said that in many companies, innovation is fostered by investments in research and development, production and commercialization, whereas the arts sector is characterized by continuous innovation: new products must replace the old ones, and products have short life spans.

Professor Cohendet also mentioned that during the '90s, the manufacturing sector declined in favour of the services sector, but the sector with the strongest growth was that of creation: emergence of a creative economy has engendered new innovation processes, creation of products such as video games and highly innovative artistic productions.

Professor Simon continued the analysis by adding that the management of innovating companies stimulates innovation in management itself: continuous learning, exchanges of practices, the pleasure of working and discovery, and replacement of control with environments that facilitate responsibility, autonomy and healthy competition.

In the workshops on ICT and transportation and logistics, researchers described innovations in the structures of organizations and in relations between various organizations: they spoke of companies that function as a network and mentioned that the emergence of networks between several companies is being studied.

In short, defining innovation from the sole angle of production of objects and physical products means to ignore several facets of innovation, particularly innovation in services, processes, management, artistic production and the video gaming industry. It also means forgetting that innovation is often the work of human beings whose talent, curiosity and creativity lead them to seek out something new and different.

## **Section 3**

### **Suggestions and lines of action for the SSHRC and CFBSB**

As privileged witnesses of the presentations and exchanges that took place both within and outside the workshops, the directors of the Forum considered it useful to offer suggestions and lines of action resulting from the various domains, that would be of particular interest to the two partners that organized the Forum, namely the SSHRC and the CFBSB

#### **3.1 Research**

After reading the preceding sections, one can conclude that several messages point in two directions. For one, can we affirm that doctorate programs in management sufficiently prepare graduates to fill positions available in Canada? In other words, do we have the means to produce the workforce required to meet the demand for university professors and high level researchers at large companies? Further, how can we reinforce and stimulate a research infrastructure that has already attained a level of excellence in publication, in that it ranks at or above the international average?

##### **3.1.1 Research capacity**

Before acting on research capacity, we must recognize that a career as a researcher or university professor is built on solid doctoral training, that Canadian doctoral study programs produce few graduates, and that many vacant positions are not filled.

Acting on research capacity means shedding light on doctoral programs by setting the primary objective of increasing the number of graduates to meet the demand of recruiters, i.e. universities and large companies. The second objective is to supply the international market for this type of labour and thus enhance the reputation of Canadian business schools and faculties.

To reach these objectives, we invite the SSHRC to increase the number of doctoral scholarships awarded to management students and to revise the amount of these grants upward.

Other avenues can also be considered if we want Canadian research in management to attain world class excellence. To do so, we must notably find the means to keep graduates with excellent research potential in Canada, and attract foreign-educated graduates that want to swell the ranks of Canadian researchers. A measure to consider to this end would be to create positions of postdoctoral researchers in management. These positions would be integrated in major grants or research chairs in Canada. With three-year durations, these positions would be reserved for candidates selected by a contest and would be open to Canadian and foreign graduates alike. Candidates would not be permitted to hold this position in the university where they earned their doctorate degree. During their postdoctoral studies, candidates could publish articles issuing from their doctorate thesis, participate in the work of the host group, publish articles with researchers from the group

and build the foundations of research projects that they would direct. Following this experience, candidates would be well equipped to begin a career as a professor and to publish articles demonstrating that they possess a solid basis to continue their research and participate in a network of researchers with whom they could develop new projects. These candidates would be attractive to all institutions that conduct research activities.

Another possibility is to launch a Canada-wide consortium of management researchers inspired by the British experience AIM (Advance Institute of Management research). This institute brings together 250 British researchers renowned in their specialties, who collaborate in large-scale projects. It also rallies international researchers around the following objective: finding ways to improve the competitiveness of the British economy through research in management and the performance of public and private organizations. This institute publishes its works in leading international journals, along with texts for management practitioners.

### **3.1.2 World class excellence**

Attaining world class excellence in research is a major challenge for which the strategy for science and technology solicits experts in management when it suggests that knowledge must become a competitive advantage for Canada. This suggestion is intended for all disciplines, including management. Indeed, many means are already available for this purpose: research chairs in Canada, initiatives on management, administration and finance in the 2008 and 2009 federal budgets (\$11 million) and several SSHRC programs. Although it is important to underline this effort by the federal government, we must also recognize that this amount does not suffice to enable us to attain excellence in all fields of management, including those whose level of publication is already situated at or above the global average.

The report by the Council of Canadian Academies identifies seven disciplines for which publication is situated at or above the global average, and eight disciplines for which the impact of the publications is at or below the global average. If we consider disciplines that are at or above the average for the criteria of number and impact, and those that are above the average for either criterion, and very close (0.9) to the average for the other one, we excel at 9 disciplines out of 16. Clearly, enabling a reasonable number of disciplines to become or remain at world-class level would necessitate major additional investments. It is utopian to think that all management disciplines can attain this level of excellence. Nonetheless, everyone should be made aware of the expectations expressed in the federal strategy for science and technology. Each one of them should position itself directly or indirectly relatively to these expectations.

From the university standpoint, we can argue that all institutions do not have the same possibilities of attaining this excellence. This argumentation is understandable if we posit that an institution must attain world class excellence in all or several disciplines of management.

Why not adopt a more realistic niche approach and consider it satisfactory to achieve world-class excellence in a single discipline such as entrepreneurship, accounting, logistics, project management, human resources management, finance or marketing?

Or why not consider different ways of excelling? For example, excelling by targeting an industrial sector (human services management, energy management, environment management, etc.) or a form of enterprise (management of NPOs, or SME)?

This is a choice that must be made by the institutions, not by a funding organization. Universities should aim to meet the expectations stated in the strategy for science and technology, namely to attain world class excellence.

Excelling in one or two areas nonetheless raises the question of differentiation or positioning of each institution. The dominant culture seems to favour the choice of aspiring for excellence in all management disciplines. Maintaining this culture means condemning some institutions to feel left out of the race. In fact, even large institutions cannot claim to excel at everything. We think that the future is situated in a diversity of models, including models in which one excels in a single area. Switzerland has paved the way for this type of model by promoting a national approach that targets excellence in finance, and the results are encouraging.

To change this culture, the CFBSD should take measures to favour differentiation and more refined choices, while emphasizing the attainment of the goal of world-class excellence set out in the strategy for science and technology. Excelling in small business or finance, who is to say which choice is nobler? Nobility comes from excellence, from the demonstration that one has successfully created a competitive advantage in knowledge in one's chosen field.

### **3.2 Teaching**

As illustrated above, education in management has been criticized by researchers and business people, including some consultants. Upon hearing these critiques, one may ask why the number of management students throughout the world is increasing as much as it is, particularly in MBA programs. We can also ask why the decision makers that the Conference Board consulted say that they were satisfied with the management and MBA graduates they recruited, and they plan to continue recruiting them.

Despite these critiques, business schools and faculties in Canada and around the world take into account the demands of their reference market and the requirements of accreditation agencies in developing and reviewing their programs. These actions must continue because the market places more importance on accreditation than on critiques from a particular professor or company president. Business schools and faculties have faced this reality for the last two decades, as have faculties of medicine, engineering and veterinary medicine. Accreditation agencies in these disciplines are here to stay and it would not be surprising to see such mechanisms appear in other disciplines in the coming years.

That being said, if we wanted to call into question the accreditation standards, we would need to use appropriate channels. Should business schools and faculties want to question one or more standards, it would be preferable that the CFBSD lead this process, to ensure that it follows the traditions and criteria specific to the management sector.

However, we must not leave the field open to criticism that is often not documented or grounded in solid data. It is impossible for management training to be as awful as some critiques would imply, because companies continue to hire graduates. The labour market test is still the most reliable yardstick.

The criticism that graduates are not adequately prepared to enter the labour market mainly concerns graduates of the bachelor and M.Sc. programs. In both cases, they are young people who lack work experience. Several management schools and faculties in Europe have responded to this criticism by changing their programs to add work experience in companies and international experience. They made these choices knowing that they would add to the duration of studies, and that offering international experience could be difficult to manage. Models vary, but work experience and international experience are always added.

In Canada, some experiences reflect this trend, but it is worth seeing how to enrich them, and especially how to develop similar experiences to what we observed in Europe. For example, would it be possible to integrate in the curriculum summer jobs and part-time jobs held during the school year? Or could we make greater use of internships? How could we upgrade teaching using the case method as a process that presents students with real situations that people in the business world face, in the form of a case to study and discuss in class? People from the company covered could even participate in the discussion. School or faculties that use this approach must continually renew the case bank and therefore turn to the business world. This is an effective way to bring teaching closer to the reality of the business world.

However, once this step has been completed, we must also ensure that potential employers are well aware that these program train young graduates that have acquired work experience during their studies, and that this experience prepares the graduates to better integrate the labour market.

### **3.3 Dialogue between management researchers and professors and stakeholders**

In this title, the term “stakeholders” refers to businesspeople and people that work in the public and parapublic sectors, NPOs and even politics. During the Forum, those who spoke about an absence of dialogue came from one of these groups. Judging by the exchanges, one could imagine that there was no dialogue. However, in Section 2 we demonstrated that the problem is more of an urban legend. In fact, we were facing a valid and enduring problem of perception: it is as if the image of the university ivory tower persisted even though universities are more open, more accessible and more present than ever in their environment. For business schools and faculties in Canada, the following question therefore arises: how can we change this perception of lack of dialogue?

There are many avenues to explore, but the vast majority of them necessitate dialogue between management schools and faculties to put in place a strategy and actions intended to dispel this perception of lack of dialogue.

One avenue would be to draft a simple message, disseminate it in appropriate networks and have it conveyed by credible spokespeople. It is up to CFBSD to take on this challenge and develop the appropriate action plan. The ideal spokespeople would be people who are not trying to promote their school or faculty. The objective is to show that, contrary to perceptions, there is a real, frequent dialogue with stakeholders.

The action plan could also include an invitation to publicize experiences such as the presence of stakeholders on advisory committees, the practice of bringing together stakeholders at research centres or chairs, the fact that stakeholders act as internship supervisors in the case where the internship is an integral part of training, and dialogue with professions that welcome graduates, namely, accountants, human resources professionals, etc.

What role should graduates and funding agencies such as the SSHRC play in this vast effort to change perceptions? Is it conceivable that graduates could convey the CFBSD's message? This is one avenue that deserves consideration.

The SSHRC has put in place programs such as the public outreach grant. This type of program and the results show that researchers have taken a leadership role in communicating their findings. Transfer centres in Québec can also participate in this effort to change the perception of lack of dialogue because their creation action rests on the research-business world axis.

All of these lines of actions start from the researcher/professor and go towards stakeholders. True dialogue is fuelled by initiatives that come from more than one direction. If we ask researchers and professors about the dialogue they maintain with stakeholders, we must also ask stakeholders about the dialogue they initiate and maintain with management researchers and professors in Canada. At the Forum, professor Laporte said that if stakeholders used 1% of the research results of CIRRELT, this would significantly improve Canada's performance in distribution, logistics and transportation. Are these research results integrated in companies' watch systems? The same question can be raised for several other topics of management research.

### **3.4 Knowledge transfer in management**

Invited to describe their relations with management schools and faculties, researchers and professors, some participants questioned the pertinence and value of the work for them. To paraphrase the title of a monologue by Yvon Deschamps, when it comes to management research, the development of new knowledge and management "what's the point? This question has several facets, some of which were described above, but there are two that are worth examining more closely: knowledge transfer and commercialization.

It is important to acknowledge that for a university, knowledge transfer takes place primarily through the students. The research results influence the content of the subjects taught and the content of each course, which is why institutions have developed practices to review course content regularly. In graduate programs, students learn about research methods and participate in professors' research projects. During these experiences there is direct transfer from the research professor to the students.

When they enter the labour market, graduates arrive with a set of new knowledge, important baggage for someone with an undergraduate degree, but much more so for graduates who just completed their master or doctorate degree. This new knowledge is then transferred to companies via the recent graduates that the company recruited.

For the past 30 years, management schools and faculties have been wondering how they can ensure that the knowledge they produce is transferred to potential users. To answer this question, the Québec government created and subsidized transfer centres, some of which maintain close ties to business schools and faculties. CIRANO and CEFRIO are two examples. The government of Canada also took a step in this direction with the CIHR (Canadian Institutes of Health Research). The proposition by the Council of Canadian Academies mirrors this trend.

To go further, provinces could be invited to create transfer centres, particularly in areas of management that differ from those found in Québec and the CIHR. A second option could be an experiment in collaboration between provinces. Provinces could thus create and finance transfer centres that could group together in a Canada-wide network.

By all means, management schools and faculties should not claim that they no longer need to engage in transfer simply because transfer centres exist. The role of each school and faculty in transfer must be determined. Evidently each institution must make their own decision in this area, but they might consider implementing a pilot project over five years, which would rest on the following concept: favour the transfer towards one's own alumni. Retaining this idea would mean that each business school and faculty in Canada would develop an approach to transferring to the fruits of its research to its own graduates, as the results become available. After five years, the CFBSD would analyse the results to measure the gains and assess the merits of continuing in this vein. The transfer method retained should exceed the short mentions usually found in newsletters or journals published by some universities. ARPENT's experience in the field of entrepreneurship, notably their electronic publication, could inspire business schools and faculties.

Regarding commercialization, the actions to take seem less evident because we cannot say how many companies were created using the research results of researchers/professors at business schools and faculties in Canada. To gather this information, the CFBSD secretariat should conduct a survey, in concert with the president of the Research Committee. A communication strategy should then be produced based on the survey results.

### **3.5 Management and national policies**

The strategy for science and technology and the Wilson Report leads us to question the role of management. The answer is far from evident even if these questions are of utmost interest to management.

We can also take a closer look at the behaviour of management schools and faculties regarding these great debates on vital questions for the future of the country. In simple terms, these documents have three lives: 1) the life during which the answers to the questions acquire their structure and are discussed, 2) the first year of life of the report, and 3) the life of follow-ups and means (including allocation of resources) to attain the objectives. We can then ask about what those interested in management contribute to these debates, especially the directors and deans of business schools and faculties, at each of these steps.

It is not easy to answer these questions, but it would be important for the CFBSD to define the role it intends to play in each of the steps of these great debates. Does it want to assert the presence of management starting from the first phase? Does it want to act mainly at the time when the report is published? Does it want to try to find a place for management only during the sharing of resources? The question thus centres on the role of management in the great societal debates that the State initiates periodically.

Here, the Forum has laid important foundations by undeniably recognizing the integrating function of management in the implementation of all projects or enterprises, and by affirming that strong management leads to greater prosperity. This is why everyone interested directly or tangentially in management teaching and research in Canada, particularly the CFBSD, must ensure that they are present in all the stages of the great societal debates. Not only can they defend the interests of management throughout the process, but can also demonstrate the importance that they place on the issues Canada must face.

To conclude this section, it is important to bear in mind that these suggestions for lines of action intended to make Canada a global leader in management disciplines, in both teaching and research, are directed at business schools and faculties and at the SSHRC, which, through its policies, exerts a considerable influence on the positioning of Canada in this area.

Undoubtedly, business schools and faculties must spearhead this enterprise that has already produced impressive results, but whose potential is such that high hopes are still permitted. Of course, this requires all partners concerned,--professors and researchers and administrators at all levels--, to make the right choices and put forth the effort required and exhibit the political will respectively.

## **General conclusion**

In conclusion, the Forum was a resounding success in that it brought together many stakeholders from diverse origins who, in addition to hearing 76 thematic conferences and 7 general conferences, participated in exchanges on 13 major themes and 35 related subthemes directly or indirectly related to the performance of the Canadian economy and the contribution of teaching and research in management to this performance.

The result is a portrait that is reassuring, yet there is room for improvement. It is reassuring to look back at the progress achieved in the level of performance of some economic sectors, for example, and the quality and reputation of our business schools and faculties. We can improve, however, in that we must, without fail, increase the number of graduates in all management disciplines, along with the level of financing of management research if we want to continue our quest for world-class excellence in management and research, and maximize the contribution of management to the performance of the Canadian economy.

In addition, in a direct link with the evolution of science and society, we must constantly review the existing programs and create new ones, and invest in areas of emerging research, in order to train, in sufficient quantity and quality, the highly skilled labour that Canada needs to ensure its prosperity, but also to fulfill the primary responsibility of our business schools and faculties, which is to offer their students the best possible education.

Further, we must promote innovation and the development of a culture of entrepreneurship in Canada, and add to the existing means intended to enable innovators and entrepreneurs to see their projects through to completion.

These proposals will help us solve the more general problem of the relative weakness in productivity of the Canadian economy, particularly compared with our American neighbour. In an increasingly globalized world in which we must evolve, this is an unavoidable challenge if we want Canada to occupy its rightful place in the world economy.

This report would not be complete if we did not convey a pressing and unequivocal message to the provincial governments, which, as such, were not partners in the organization of the Forum, but whose role in financing universities has a determining impact on the institutions' capacity to compete with their foreign counterparts to attract and retain the best professors and researchers in the current context of fierce international competition. This issue cannot be overemphasized.

Lastly, we will reiterate what we said at the start of this report based on the definition of productivity proposed in the Wilson Report: "Productivity measures the efficiency with which the resources available to an economy, such as labour, capital and business expertise, are being used to produce goods and services." As mentioned above, this definition highlights the important role of management in the pursuit of the objective of improving productivity, in that its action has a determining impact on the way these production factors are harnessed to attain optimal efficiency and effectiveness.

## **Annexe 1. 1**

### **Workshops on management & strategy**

By Russell Fralich, PhD candidate, HEC Montréal

#### **Speakers:**

- **Marcel Coté**, associé fondateur, SECOR Conseil
- **Ali Dasmalchian**, Dean, Faculty of Business, University of Victoria and President Canadian Federation of Business School Deans
- **James Milway**, Executive Director, Institute for Competitiveness and productivity
- **Taiëb Hafsi**, professeur titulaire, Chaire de management stratégique international Walter-J. Sommers, Service de l'enseignement du management, HEC Montréal
- **Henry Mintzberg**, professeur titulaire, Chaire Cleghorn, Faculté de gestion Desautels, Université McGill

#### **Modérateur :**

- **Robert Poupart**, universitaire retraité, administrateur de sociétés et consultant

The main debate of the five presentations in the “Management & Strategy” track centered on the nature of the interaction between business schools and practicing managers. While business schools continue to grow exponentially, questions remain about the relevance of the instruction they provide, producing graduates poorly equipped to handle the realities of their future business careers. Many solutions were offered, including perhaps not surprisingly, an increase in management research funding.

#### **Management Makes A Difference**

Canada's future rests on its ability to innovate. While investing in new technology development through R&D has been government policy for many years, innovation through management research remains more controversial. Managers do make a difference in innovation, says James Milway, CEO of the Institute of Competitiveness & Prosperity, an independent think-tank sponsored by the Ontario Government. Beyond technical innovation is the ability to take the innovation to production, marketing, supply and the myriad other aspects that furnish a new idea to the customer. And these skills lie at the heart of a manager's job. The quality of managers makes a difference in companies, and we can now measure the effect, allowing us to compare our managers with those in other countries, said Milway. The think-tank surveyed top managers in 424 Canadian companies and compared the results with similar surveys conducted around the world based on a method developed by Nick Bloom of Stanford University. Unfortunately, when compared to US managers, Canadian executives fared as poor second cousins, similar to their fellow managers in the UK, Germany, Sweden and Japan.

The think-tank used a “management index” to rate three management abilities: operations, performance, and people. Armed with this international data, Milway noted some interesting conclusions.

- Public firms tend to have better managers than private or family-owned firms
- Manager quality tended to be worse in regions with more rigid labour markets
- Better managed firms have more highly-educated managers
- Across Canada, Ontario scored the highest in manager quality, while Quebec was the lowest. In all categories, Quebec stood out as the remedial student in terms of management practices.

Milway warned that the situation is dynamic and we can’t rest on our laurels. He noted that the top fifth of Chinese and Indian managers already scored higher than the bottom half of Canadian managers. And clearly we can expect the quality of Chinese and Indian managers to only increase in the future.

### **The Booming Business of Business Schools**

Perhaps in response to the need to improve management quality, the business of business schools is booming according to Ali Dastmalchian, Dean of the Faculty of Business at University of Victoria. As evidence, he noted the exponential rise in the number of business schools around the world: from 2,000 in the 1980s, to 6,000 two years ago, to over 11,000 today.

He ties the popularity to fundamental changes in the sources of competitive advantages. Where once one could compete based on hard work and perseverance alone, today’s business advantages rest more on key management skills of perception, creativity and effective decision-making. Although sanity may be Canada’s true competitive advantage, Professor Henry Mintzberg of McGill University quipped, after witnessing the gridlock between policy makers and government about health care policy in the US.

### **The Relevance of Business Schools**

Yet in spite of the explosive rise of business schools, numerous questions remain about the relevance of the education business school graduates receive. Dr. Dastmalchian quotes the eminent researcher Jay Lorsch when he questioned whether we’ve lost touch with the reasons business schools exists. To some executives, business schools exist only as a sorting facility for classifying business talent. To some academics, they exist to further personal research careers.

Several speakers noted disconnects between business schools’ focus and the nature of Canadian business today. The discussions distinguished between concerns about research and teaching.

## Research Off-Target?

Business research has existed for several decades, yet the most influential ideas come from practitioners like Jack Welch, Alfred Sloan, or from consulting firms like the SWOT analysis method from Boston Consulting Group and not from academics. Marcel Côté, of SECOR Consulting and a former academic himself, asked why has **business research had so little impact in the real business world**. While he believes that university researchers may be adept at understanding what is going on, they don't help business leaders with practical tools to solve real-time problems.

Research topics and methods seems off-target according to Côté. Topics of strategic research tend to suffer from a huge selection bias, focusing on top managers of publicly held companies, while most Canadian firms are small, private or family-controlled. Research tends to be based on database mining, with only limited experimental data from real businesses. Professor Dastmalchian said that the goal of management research has shifted paradigms. Where once academics focused on the production of new knowledge for practice, many newer researchers appear more concerned with their own career prospects. Theories have drifted from merging divergent broad-based views, into attempts at more generalized, scientific theories that may lack real-world relevance. Today's academic environment provides little incentive to study more holistic views of business problems according to Professor Mintzberg. As a result, many formal business theories appear to be stuck, unable to account for what is currently happening in business according to Mintzberg.

## Teaching The Wrong Material To The Wrong Audience?

What business schools teach may not be addressing the needs of the business community. And they may also be targeting the wrong kind of managers.

Business school curricula seems to contribute to **unethical behaviour, perpetuate obsolete models**, and focus on topics considered of **secondary importance to practicing managers**.

Business schools bear some responsibility for the greed and unethical behaviour of the executives who precipitated the recent economic crisis, according to Dastmalchian. One dominant academic model, Agency Theory, has been thrown into an uncomfortable spotlight as a result of the recent economic crisis. The model's emphasis on personal ambition and lack of trust has now been questioned. Yet this theory continues to be prominently taught in business schools today.

There is too much focus on leadership and not enough on management, says Mintzberg. The recent economic crisis results from this lack of managing ability in banks. How could blue chip banks accept overly complex, non-understandable and extremely risky subprime mortgage contracts that ultimately became the trigger for the global economic crisis? Mintzberg's answer: too many executives were attempting to "lead", and not enough executives were just "managing." Active managing would involve what he calls

*communityship*, where leaders are involved in, care about and understand their business. This was clearly lacking.

In another example of a fallacy perpetuated in business school curricula: everybody agrees that senior managers focus on long-term, while more junior managers handle only short-term details, but Mintzberg gave an example of the exact opposite. He remarked that on the day he observed Norman Inkster, then Commissioner of the RCMP, Inkster spent most of his time filtering news summaries to provide warnings of potential embarrassment to his political boss, the Solicitor-General. On the other hand, a more junior officer attended a workshop designed to plan a long-term policy.

There may also be a cultural myopia in what business schools teach according to Côté. Why do top European companies perform just as well as American companies in spite of ignoring or contradicting most of the business model developed through the top US-based business schools? He noted what he called a “*galapagosization*” effect: the ability to deal effectively with widely varying local standards. With multiple cultures and technical standards spread across the 27 EU members, European firms have to manage with a wide variety of local differences. On the other hand, the US represents a very large, but largely standardized market, so perhaps US firms are less able to deal with variation when they attempt to export. Japan, with its unique standards, proved poor at exporting their version of wireless telephony. Is this difference emphasized in classes today?

The problem not yet resolved in business schools is the complexity of the management topic. Corporate strategy rests on the ability to solve the integration question, according to Professor Taïeb Hafsi of HEC Montreal. To illustrate, Hafsi and Mintzberg asked how could a small firm like Gildan successfully drive out larger US conglomerates such as Hanes and Fruit of the Loom in a commodity business like t-shirts? They said it is because Gildan did a better job at integrating their various company functions to work together. We can now measure such well-managed companies can now be measured in more scientific surveys in terms of Milway’s higher management index values.

Hafsi and Mintzberg used the idea of a cow to explain what they meant. Many companies think that they are cows, an organic whole entity in which each constituent part works seamlessly with the others. But in fact, companies can be represented only a cow-chart, a *map* of disconnected parts that are examined separately and assumed by management to be integrated. This is the basis for most business tools such as modeling competitors using Porter’s industry analysis techniques, new product development using SWOT (Strengths Weaknesses Opportunities Threats), or supply-chain metrics. Each part is optimized in relative isolation. Mintzberg summarized the conundrum thus: Why do executives only measure the performance of the individual parts – heart, lungs, kidneys – and not the performance of the whole cow? If cows can do it, why can’t companies?

So why don’t business schools produce more useful “walking stick” tools for practicing managers? Because it is difficult to simplify a complex and dynamic situation, Hafsi notes the “*loi de l’instrument*” where simple theories are elegant but limit their relevance and transferability across different scenarios. He also says that roughly half of the research

done in a given area tends to contradict the other half. When betting, a 50/50 outcome is considered random. Maybe this is a sign that the science of strategy remains at an early evolutionary stage, “une science qui n’a pas encore développé ses moyens” as Hafsi put it.

While business expects genius to emerge from business schools, Mintzberg reiterated his long-held stance that strategy is synthesis not analysis, and that advances in strategy tend to come not from genius but from good observations. He cites fellow McGill professor Meg Graham’s assertion that the St. Lawrence Valley today acts as a northern “Silicon Valley” of art and technology integration. From Quebec City to Montreal to Ottawa, this is where the Cirque du Soleil was born, and where numerous Hollywood special effects and video game studios produce cutting edge technology.

The second major question raised in the conference was: are business schools even training the **right kind of manager**? Not according to Côté. A majority of research focus is tied to the CEO and other top executives, but the vast majority of managers linger only in the middle ranks. Student expectations are set unrealistically high, with little skill development on how to have a prosperous career as a middle manager. What is the 30-40 year career of a good middle manager who is not destined for the C-suite office?

### **How can business schools do better?**

Business schools should become excellent brokers in the integration of knowledge between science and culture according to Dastmalchian.

Milway wants government to expand innovation policy to include management and increase funding in management research.

Côté and Dastmalchian agree that business schools should specialize, with some prioritizing teaching the next generations of managers, and others focusing on cutting-edge research.

Increase the number of business graduates. Milway calculated that Canada just invests less than the US does, and we’re falling behind in all the measures he used to determine his management index. Currently with Canada producing only 59 graduates to every 100 US graduates, we need more, he says.

And we should invest more sooner, since the measurable effect of having improved managers is only evident about five years after they enter the workforce, added Milway.

Develop better connections with the major consulting firms, which Milway believed are the true real-time laboratories at the leading edge of business practice.

Dastmalchian wants incentives that encourage a “middle path” for academics to pursue research that spans practical relevance while maintaining an effort to produce generalized and scientific models. Academics should be encouraged to do their research not with

trolling databases, but with small sample practitioners, and to disseminate their findings in alternative ways.

Mintzberg says that MBA programs should tap into the vast experience pool of more seasoned managers to enable them to develop themselves in small teams through idea sharing and some guidance from academics.

But how will business schools know that they have achieved the expectations of business? That was the unanswered question from Dr. Rick Hackett, Dean of the DeGroote School of Business at McMaster University.

## **Annexe 1.2**

### **Ateliers sur la finance**

Par Babak Lotfaliei, PhD candidate, McGill University

#### **Conférenciers :**

- **Yvan Allaire**, professeur émérite de stratégie UQAM; titulaire fondateur de la Chaire Bombardier en gestion des entreprises transnationales; professeur associé, HEC Montréal; président de l’Institut de Gouvernance d’organisations privées et publiques
- **Georges Dionne**, professeur titulaire, Chaire de recherche du Canada en gestion des risques, Service de l’enseignement de la finance
- **Jan Ericsson**, Professeur, faculté de gestion Desautels, Université McGill
- **Petre Christoffersen**, professeur agrégé, Faculté de gestion Desautels, Université McGill
- **Stephane Rousseau**, professeur titulaire, Chaire en droit des affaires et du commerce international, Faculté de droit, Université de Montréal
- **Bernard Amyot**, avocat émérite Heenan Blaikie

#### **Modérateur:**

- **Richard Guay**, conseil stratégique au président et chef de la direction en matière de politique de placement et de répartition d’actifs, Caisse de dépôt et placement du Québec

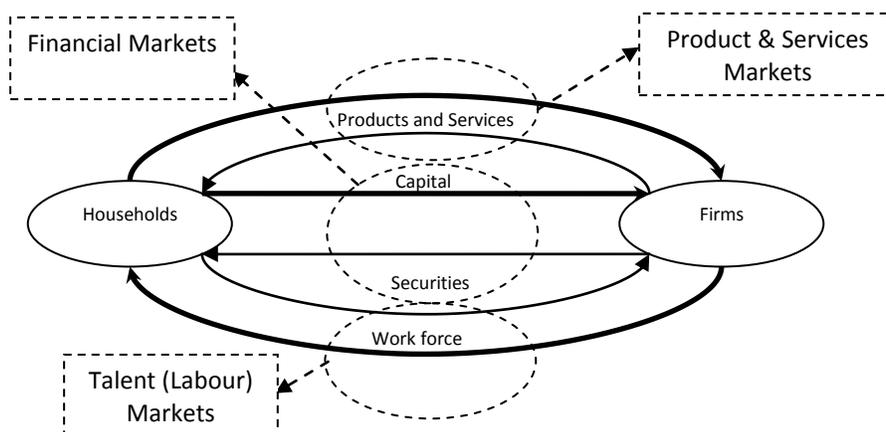
#### **Abstract:**

Recent financial crisis raised some deficiencies on the surface of financial markets. Speakers addressed these imperfections to be listed. Two of the debates were on the spot light: risk measurement and failure over newly developed financial instruments, and regulatory concerns and managerial compensation. In the risk measurement case, need for new risk measures and validity and proper use of current risk measures were highlighted. Market -regulation lectures focused on challenges faced by regulators and current trends in controlling managerial compensation. Some ideas such as VIX for risk measurement and “corporate citizenship” for shareholder rights were among proposed research topics and solutions.

### **1. Prof. Yvan Allaire: A Crisis Unlike Any Other... And What to do About it?**

Financial markets are places where funds move from investors, those with savings, to companies, those in need of funds. Figure 1 simply demonstrates the way many economists

see and model the economy. In this model, households simply divide their income into two parts. First part goes to pay for consumption, and the second part is invested, as differed consumption. Financial firms are supposed to provide suitable environment in markets to help investors<sup>9</sup>.



From Prof. Allaire point of view, there have been three dramatic changes in the financial markets, product and services market and talent markets which resulted in recent crisis. However, it can be explained using the former framework:

**Financial Markets:** Financial institutions in financial markets accomplish two main tasks to motivate people investing. First, they professionally explore markets discovering investment opportunities, and reduce exploration costs for investors. They offer economy of scale to investors by collecting investments more efficiently and reducing investment costs. Furthermore, they lower investment risks for households and manage the risk of their investments. While some financial firms entirely concentrate on risk management, such as insurance companies, others engage in risk management beside other activities<sup>10</sup>. The leverage buyouts or simply buying big companies by issuing debt, let financial institutions takeover firms. It resulted in short-term institutional stockholder interest in firm stock-prices rather than economic performance of the firms. Therefore, firms managers tried to increase Earnings-Per-Share (EPS) of firms in the short period that they take charge of the firm, rather than fixing long-term goals. Obviously fund managers who

<sup>9</sup> David K. H. Begg, Stanley Fischer, and Rudiger Dornbusch, "Economics," in Economics, 6th ed. (McGraw-Hill, 2000), 273-384.

<sup>10</sup> M. M. Cornett and A. Saunders, "Fundamentals of financial institutions management," in (Irwin/McGraw-Hill, 1999), 5-20.

begin to own companies over time look for higher profits. But the time they hold stocks are shorter as well. They are mostly share flippers.

**Products & Services Markets:** With more deregulation in services and products markets, competition for firms increased. Higher competition means lower prices and tougher business environment. Beside the pressure from shareholders, the pressure on managers increased by competition over making higher profits.

**Talent (Labour) Markets:** In the talent market, it resulted in huge compensations for managers who would reach institutional-stockholder goals. It changed the standards in the job market. Managers would be chosen from outside with different backgrounds trying to meet the EPS increase goals. It also made managers more mobile compared to the time they were chosen from inside of the company. They gave higher weight to short-term EPS-smoothing goals rather than long-term profitable projects.

Then, all the changes above led to some phenomenons: mergers and acquisitions, development of new financial instruments and financial innovations, outsourcing of labour to lower-cost countries, and also to some scandals. For example, Enron was the case of managers trying to realize long-run future income in the short-term by financial engineering. The same pressure led the Lehman Brothers CEO to expose the company to high risk of debt and bankruptcy in order to increase EPS. The scandals are the surface of the iceberg of some defects caused by new changes; the same imperfections which led to financial crisis. It does not mean all changes were bad and markets should be controlled tightly. Reduced consumer prices in the products and services markets is an example. But it means we need to determine the side-effects to be tracked and resolved.

Back to imperfections, we still should remember the money for institutional stockholders mostly comes from pensions and savings of households. It means that the way managers operate the companies will affect stockholders and then, it will be transferred to the original investors. For example, taking too much risk will expose households as original investors to risk as well. However, the financial intermediaries are developed to manage and reduce the risk, not forcing managers to take too much risk. Not being able to capture the risk taken by firm managers and the risk of financial papers are shortcomings of the new system after changes happened. For example, in the subprime mortgage crisis, managers of financial firms (shares held by funds) were adding to the amount of mortgages and exposing companies to higher risks. It was because they would be compensated for higher profits due to higher risks, but in case of bankruptcy they only would lose their job. Lack of proper risk models to capture the actual risk taken by managers added to the previous problem.

The preceding discussions raise one of the first topics for debate. “How managers are supposed to be compensated for their performance?” During the last couple of decades, there has been an increasing ratio of CEO compensation to average worker in companies. On the other hand, there has been dramatic price decrease and higher capacity utilization. It means managers are having harder time to help on the survival of the company. It can explain the increase, but not all of it, since the same resulted in the crisis and excess risk

taking by managers. Part of it also returns to the shareholder construction based on new business environment. The ownership of firms plays part in manager compensation by votes. Analysing current method of voting and coming up with innovative ideas such as “corporate citizenship” for voting systems will be helpful. Corporate citizenship denotes the idea of giving voting rights to shareholders after some shareholding period (rather than instantly) to prevent any short-term effect on companies’ long-term economical benefits.

Previous question introduces another debate topic: “how properly one can measure the actual risk taken by managers?” Overconfidence in the risk measures has been listed as one of the causes in the recent crisis. If a manager can deliver higher return over other managers having the same risk, does not necessarily imply better performance. It actually might signal taking higher risk not captured with the current measures. It includes the ratings done by rating agencies. There are some problems with the rating process which demands for better rating procedures. Two financial papers with the same rating but different returns might be exposed to different risks. Another application is in for regulation of markets and supervision on financial firms.

[This talk was followed by three talks in the Finance area which addressed the previous two debates. George Dionne showed the nature of the new financial instruments and mentioned they are not the problem. Peter Christoffersen and Jan Ericsson provided evidence that current risk measures are valid but they are used overconfidently. Stéphane Rousseau and Bernard Amyot discussed the challenges faced by regulators to prevent crisis in the future.]

## **2. Prof. George Dionne: “Managing the Risks of Structured Financial Products”**

Financial innovations have provided financial firms with opportunity of sharing their risk in financial markets. Securitization of illiquid assets in the form of financial papers helps firms to liquidate long-term financial claims and provide them with new resources. In this process, the credit risk of these claims is transferred from originator with preference for lower risk to buyers with different risk preferences.

Different risk preferences of investors in structured financial products are met by tranching process. Tranching is the process of defining different classes of claims over pool of assets with different risk levels to attract investors with different risk preferences. The idea here is to define returns for new securities based on different possible returns on assets. Figure 2 provides a simple example.

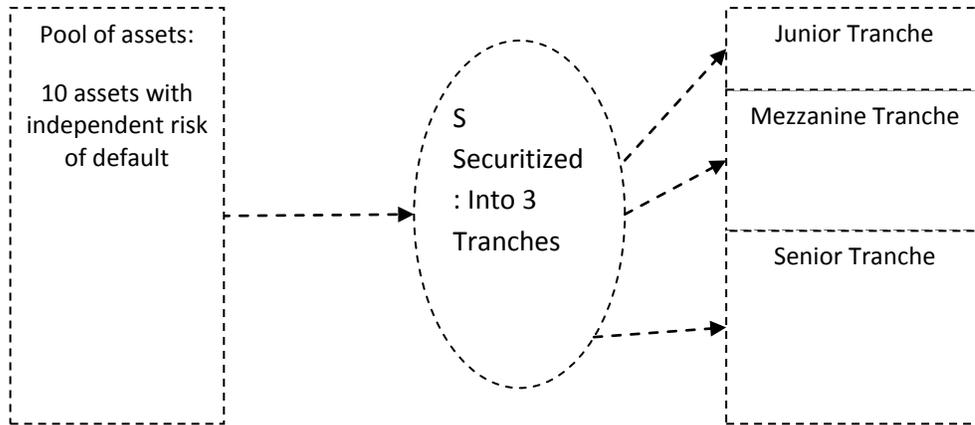


Figure 2- scheme of securitization into tranches

Junior tranche is set of securities with the highest risk (i.e. default risk). In the case of default over the claims, they are the first class that would lose their value. Senior tranche includes securities with lower risk exposure. They will lose value in case of high failure rate. The process above shows the complicated nature of new securities and their risk. Measurement of their risk highly relies on the risk of underlying assets. For example, if underlying assets are highly correlated in risk, it means a slight risk difference between junior and senior tranches. But without such information available, one might assume senior tranches have lower risk which is wrong due to lack of information.

It simply implies the delicate task of measuring risk of new securities rather than considering them to be harmful to market. For example, they cannot be rated in the same way as bonds are rated. There are substantial differences between new structured products, old assets-backed securities, and bonds and they demand for more advanced rating methods. In addition, more information about the pool of assets is needed for rating purposes to resolve information cavities, i.e. true risk of each asset and their correlations. These two cause mispricing of the structured finance products by market traders. They mostly rely on rating of these papers which demands more information for valuation rather than sole rating information.

If we summarize all mentioned, the underestimation of risk for structured financial products due to their complicated nature and mismanagement of risk are among major causes of recent crisis. It opens doors for new risk measures to capture more advanced nature of these products by overcoming these problems. [The same results were supported by later presentation of Prof. Christoffersen and Prof. Ericsson in more technical details. In addition, they show that the problem is not the validity of current risk measures but of overconfidence in them.]

### **3. Prof. Peter Christoffersen: "Risk Management After the Crisis", Prof. Jan Ericsson: "Derivatives and the Crisis"**

Many risk measures are designed for normal conditions and they cannot be relied on for extraordinary cases. Measures which are called "Bad" risk measures are actually limited to normal conditions and "Good" measures are more reliable in these conditions.

An example of Good measures is the VIX which can capture some extraordinary conditions in the market. VIX is a volatility index defined by the Chicago Board of Options Exchange on S&P market index. VIX is stronger in capturing more of the complex dynamics of market fluctuations. It belongs to group of dynamic market volatility measures which itself belongs to dynamic higher-moment measures of market-return distribution. Without more delving into complexity of these measures, they try to capture higher complexity of current market data. This property makes these indicators more reliable than their predecessors.

The same idea of not capturing complexity lies for credit derivatives. For example, rating of tranches and other credit products is aimed to measure their default rate only. These are same methods used for bond rating. Take two bonds with similar rating but different spreads. Different spread implies they have exposure to different type of risks but they have the same default risk. Rating only informs investors on default risk and not other risks. But overconfidence on rating may tempt managers to buy the bond with the higher spread as it has higher return. If the return relative to the grade of their investments (i.e. certain level of rating) determines compensation for managers, they may take risks in the shadow of their monitoring gauges.

However, back to the general debate, previous discussions provide two answers for risk measure concerns. First, there is need for more advanced risk measures for capturing higher complexity of market returns, (particularly if the higher complexity determines price for recently developed complicated financial instruments). For prediction purposes, markets need dynamic models of risk. Currently, there are several indicators already working based on these properties. Second, previous risk measures are informative and valid but they provide limited information on risk. It does not mean they are totally useless.

### **4. Prof. Stéphane Rousseau: "After the Financial Crisis: Promises and Limitations of Reforms in Regulation", Bernard Amyot: "Regulation: Beyond the Rules, Practice"**

These talks aimed to address some of the challenges for the regulatory bodies. Two subjects were addressed: regulation effectiveness, and managerial compensation. On the spectrum of ideologies on open or regulated markets, many believe that markets need to be regulated to work properly and prevent market failures.

- There is a difference between regulation and supervision in the markets. Regulatory bodies set proper regulations and rules targeting market imperfections and

supervisory bodies control proper application of rules. Financial regulations have two sides to balance. One side is to provide the environment for market mechanism to work freely and openness of market for innovations. The other side is to ensure investor protection and prevent any arbitrage in market due to regulations. Self-adjustments in the market for risk taking might not work and regulation targets such imperfections.

Regulating and controlling risk need proper measurement. But the same challenge as before emerges: "how we can measure risk?" For example, targeting liquidity and counterparty risk by rules and feedback on their performance highly depends on measuring them. Another challenge is information dissemination in markets for filling the information cavities. Recent financial crisis showed the effect of unawareness of investor about level of risk taken due to information in the shadow.

- Managerial incentives rose big concerns in the public opinion and regulatory body. Part of the reactions is due to inequality of income or wealth. But another part of it [which addressed here] is about public expectations from the market's governing body and its performance over market control. For example, recent bailout plans and bailout fund allocation were subjects of enormous debates. A portion of these funds was used to compensate managers. It happened while many criticized them for extra risk taking and not being accountable for the downside of their risky decisions. It resulted in some laws and regulations passed in the US (i.e. HR 3269).

Referring to previous discussions, passing such acts might end in imbalance of regulation purposes. They simply might not be effective. For example, HR 3269 regulation asks for shareholders opinion on compensation but do not provide power for shareholders to press board of directors. However, some believe it provides more transparency over compensation packages.

For Canada, there are some mechanisms which provide shareholders power for say-on pay. Say-on-pay votes are voluntarily applied by some companies. There also exist some organizations to protect shareholder rights. Analysing their effectiveness and comparison of their performance with other countries can be subject of further research. There are currently other methods used in G20 countries which need to be analysed before putting into practice. Different aspects such as not preventing self-adjustments in the talent market are hot topics. Brain drain from tightly regulated financial sectors to other sectors may generate problems for these sectors.

### **Annexe 1.3**

#### **Ateliers sur la comptabilité**

Par Michel Sayumwe, candidat au doctorat, HEC Montréal

#### **Conférenciers :**

- **Joseph Carcello**, professeur de comptabilité Ernst & Young, College of Business Administration, University of Tennessee ; directeur de recherche, Corporate Governance Center
- **Jean Bédard**, professeur titulaire, Faculté des sciences de l'administration, Université Laval
- **Patricia C.O'Brien**, professeure de comptabilité, Ernst & Young, School of accounting and finance, University of Waterloo
- **Paul Cherry**, expert-comptable, président du Standards Advisory Council pour le bureau des standards comptables internationaux
- **Tom Scott**, vice-doyen et professeur, School of business, University of Alberta
- **William R.Kenney Jr**, professeur, Charles & Elisabeth Prothro Regents Chair in Business and Price Waterhouse Fellow in Auditing, McCombs School of Business, University of Texas at Austin, membre du Conseil international des normes internationales d'audit et d'assurance

#### **Modérateur:**

- **Michel Magnan**, professeur titulaire, Lawrence Bloomberg Endowed Chair in Accountancy, John Molson School of Business, Concordia university

Dans le volet comptabilité, le Forum national sur le management a organisé trois ateliers portant sur les thèmes suivants:

1. La comptabilité et la gouvernance: le rôle des comités d'audit
2. Les normes d'information financière et l'intérêt public
3. Les défis de l'harmonisation des normes de comptabilité et d'audit

Organisés dans la journée du 30 septembre 2009, les trois ateliers avaient pour point commun de replacer la comptabilité, entendue dans son sens large pour inclure notamment l'audit, dans la perspective de l'intérêt public.

**Premier atelier:** *Accounting, a Question of Governance: The Role of Audit Committees and Interfacing Between Governance and Financial Fraud.*

Le premier atelier a été présenté par deux orateurs, à savoir les professeurs **Jean Bédard** de l'Université Laval et **Joseph Carcello** de la *University of Tennessee*.

Le professeur Jean Bédard a centré son intervention sur le rôle du comité d'audit, un comité technique opérant au sein du conseil d'administration dans les entreprises publiques. D'entrée de jeu, l'orateur a fait remarquer que les comités d'audit ont fait l'objet de beaucoup de réglementations, surtout aux États-Unis. Il se dégage de toute cette réglementation que le but primordial de la mise en place obligatoire des comités d'audit au sein des entreprises publiques est d'améliorer la qualité de l'information financière publiée. De ce but se dégagent trois rôles attribués au comité d'audit:

- superviser l'audit externe
- superviser le processus de création de l'information financière
- superviser le contrôle interne

En se basant sur une revue de littérature effectuée par Bédard et Gendron (2009), on remarque que 57 % des études concluent que la proportion des indépendants siégeant au comité d'audit améliore la qualité de l'information financière.

En ce qui concerne les compétences des personnes devant siéger à ce comité, 51 % des études disent que la possession des compétences en gouvernance et en comptabilité par les membres améliore la performance du comité d'audit. Sur ce dernier, au moins un membre doit avoir le qualificatif d'expert financier. Cette notion d'expert financier avancée par les autorités de réglementation comme la SEC américaine est toutefois extensive et inclut aussi bien les comptables professionnels que d'autres personnes comme celles ayant de l'expérience dans la supervision de la production de l'information financière (ex. CEO). Les études suggèrent que les membres du comité d'audit détenteurs d'un titre comptable sont plus compétents que les autres membres.

Une des questions soulevées à juste titre est de savoir si les membres des comités d'audit qui sont suffisamment bien rémunérés (par exemple 300 000 \$/année) ont l'indépendance nécessaire pour donner des avis qui seraient contradictoires à l'orientation générale de la direction ou du reste du conseil d'administration.

La deuxième intervention a été faite par le professeur Joseph Carcello. Cet exposé a fait un lien entre la communication financière frauduleuse et la gouvernance corporative. En général, la fraude concerne principalement le revenu publié à l'état du résultat global qui se présente essentiellement sous forme de constatation d'un revenu non existant ou d'un revenu anticipé. Les autres types de fraude concernent la surévaluation de l'actif au bilan ou son détournement à des fins personnelles.

La fraude financière a des conséquences désastreuses pour l'entreprise concernée et pour le PDG « pris la main dans le sac ». En effet, 93 % des dirigeants concernés perdent leur emploi alors que le prix de l'action affiche un rendement moyen de -20 % sur la fenêtre de 2 jours de l'annonce du retraitement consécutif à la fraude par rapport à un rendement de -6 % pour les entreprises non frauduleuses.

De l'avis du conférencier, la gouvernance a un grand rôle à jouer dans la lutte contre les fraudes dans l'information financière publiée. La recherche suggère en effet que les conseils d'administration dont les membres sont peu indépendants de la direction détectent difficilement les fraudes. De même, lorsque le fondateur de l'entreprise siège au conseil d'administration, la probabilité de rencontrer la fraude est très grande.

De cette conférence, il ressort que la préoccupation principale des investisseurs est que les membres du comité d'audit soient en mesure de détecter à temps les fraudes commises par les dirigeants, et idéalement les prévenir.

Compte tenu du rôle joué par le comité d'audit dans le mécanisme de gouvernance, **le Canada pourrait avoir un avantage compétitif dans le domaine de la gouvernance corporative en améliorant la formation théorique et pratique de ses experts-comptables.**

**Deuxième atelier:** *Financial Reporting Standards and the Public Interest.*

La première conférence de cet atelier a été animée par **Paul Cherry**, président du *Standards Advisory Council* (SAC) de l'International Accounting Standards Board (IASB). Le conférencier a insisté sur la notion de l'intérêt public qui n'est pas du tout évidente malgré que la constitution du normalisateur mondial fasse implicitement référence à lui pour justifier sa légitimité. On sait que cet organisme est une émanation d'initiatives privées de grands cabinets comptables et d'associations professionnelles, et non de gouvernements. En effet, la même constitution de l'IASB énonce que les normes comptables (IFRS) doivent aider les participants aux marchés de capitaux et autres utilisateurs à prendre les meilleures décisions économiques. Ces dernières années, l'IASB a amélioré son système de gouvernance notamment au niveau de la nomination des *trustees* qui doit respecter certains critères

Le conférencier a soulevé quelques préoccupations de l'IASB, comme le financement qui repose sur un système de dons et les limites de l'information financière. En ce qui concerne les améliorations éventuelles, une analyse coûts-bénéfices devrait être faite au niveau du processus même de la normalisation.

La deuxième conférence de cet atelier a porté sur l'harmonisation comptable internationale et été animée par la professeure **Patricia O'Brien** de la *University of Waterloo*. D'emblée, la conférencière a relevé les principaux arguments pour l'harmonisation comptable qui sont notamment le fait que les flux des capitaux exigent une certaine cohérence et que de bonnes normes comptables aident dans le rattrapage économique des pays en voie de développement. Il ne faut cependant pas oublier que les différences entre les comptables, au niveau de chaque pays, reflètent les différences institutionnelles nationales.

En nous référant à la littérature comptable, il ressort que sur les marchés financiers, les analystes s'intéressent principalement au chiffre du résultat comptable (Breton et Taffler, 2001 ; Asquith, Michael et Au, 2005). Les investisseurs, quant à eux, évaluent

principalement les activités récurrentes des entreprises plutôt que celles qui sont occasionnelles (Lipe, 1986 ; Barth, Beaver et Wolfson, 1990).

Dans ce contexte, les normes comptables aident les analystes dans la communication de l'information fiable et pertinente sur l'activité réelle de l'entreprise. De plus, la recherche comptable s'intéresse au débat sur la normalisation comptable et sa supervision, notamment en rejetant de fausses présomptions.

Le professeur **Thomas Scott** de la *University of Alberta*, troisième intervenant, a enchaîné la présentation avec le fait que le chiffre du résultat comptable est, pour les investisseurs, la plus importante information financière. Le conférencier a insisté sur le fait que les normalisateurs ne tiennent pas toujours compte des résultats de la recherche comptable. Par exemple, les chercheurs ont suggéré depuis trois décennies déjà (Watts et Zimmerman, 1978) que la comptabilité joue un rôle central dans la rédaction de contrats de dettes et de rémunération des dirigeants, mais les normalisateurs semblent ignorer cette réalité puisqu'ils orientent leurs normes vers les besoins exclusifs des investisseurs dans la prise de leurs décisions économiques.

De ce deuxième atelier, il ressort que la normalisation comptable obligatoire présente plus d'avantages que d'inconvénients. Cependant, aucune étude scientifique n'a encore démontré l'avantage coûts-bénéfices d'un processus de normalisation comptable qui tiendrait compte de toutes les parties prenantes: les entreprises, les investisseurs, les créanciers et les analystes financiers. La difficulté principale d'une telle étude se situe dans la mesure d'une telle variable.

**Ici, le Canada pourrait jouer un rôle de leadership en incitant les chercheurs en comptabilité à proposer des études basées sur un échantillon suffisamment représentatif afin d'apporter un éclairage nouveau sur l'avantage économique qu'aurait un pays à adopter les IFRS.**

**Troisième atelier:** *The Challenges of International Harmonization in Accounting and Auditing Standards.*

Le dernier atelier a été animé par le professeur **William R. Kinney** de la *University of Texas at Austin* qui a mis en parallèle les défis de l'harmonisation des normes de comptabilité et celles d'audit au niveau international.

En tant que membre de l'*International Auditing and Assurance Standards Board* (IAASB) de l'*International Federation of Accountants* (IFAC), le conférencier a abordé la question de la légitimité de son organisation. Cette légitimité peut être abordée de deux façons: la légitimité par la représentation politique au sein de l'IAASB et la légitimité par l'expertise indépendante des membres. Au niveau mondial, c'est l'IAASB qui est chargé de l'élaboration des normes internationales d'audit (ISA).

Comme l'IASB, l'IFAC a pour mission principale de servir l'intérêt public. Par rapport au normalisateur américain de l'audit, le PCAOB (*Public Company Accounting Oversight Board*), l'IAASB a mis en place un processus de normalisation plus transparent de l'audit.

En comptabilité, la comparaison des normes internationales d'information financière (IFRS) avec les normes comptables américaines (USGAAP) amène à la conclusion que la principale différence se situe dans le fait que les premières sont basées sur des principes alors que les secondes sont basées sur des règles. Il est intéressant de noter que dans l'application des normes comptables basées sur des principes, le comptable doit faire intervenir son jugement professionnel alors que l'auditeur fera intervenir « son jugement professionnel sur un autre jugement ». Enfin, la question de l'autorité d'application des normes d'audit à travers le monde reste posée. À l'heure actuelle, on se demande quelle serait la solution idéale pour l'application des ISA. On pourrait penser à un réseau d'autorités boursières nationales, à un réseau d'organisations internationales qui pourraient inclure le FMI et la Banque Mondiale, à des traités internationaux, etc.

De ce troisième atelier, il se dégage que le Canada pourrait faire passer ses idées en prenant le leadership dans **la mise en place d'une autorité mondiale d'application des normes internationales d'information financière (IFRS) et des normes internationales d'audit (ISA)**.

### **Conclusion des ateliers de comptabilité.**

Le mouvement de mondialisation de l'économie depuis les dernières décennies a entraîné dans son sillage l'harmonisation internationale des normes de comptabilité et d'audit. Le plus grand défi reste que les deux sphères de la comptabilité, à savoir la pratique et la recherche comptables, ne semblent pas suffisamment communiquer entre elles. En effet, très peu de professionnels comptables lisent ou commentent les articles publiés dans les revues scientifiques en comptabilité. De même, très peu de chercheurs universitaires s'intéressent aux sujets touchant directement la pratique comptable.

À notre avis, les deux milieux, professionnel et académique, devraient trouver un terrain d'entente, et ce, au bénéfice de l'intérêt public.

## **Annexe.1.4**

### **Ateliers sur l'entrepreneuriat**

par : Kerstin KUYKEN, candidate au doctorat, UQAM

#### **Conférenciers :**

- **Louis Jacques Filion**, professeur titulaire, Chaire d'entrepreneuriat Rogers-J.-A.-Bombardier, Service de l'enseignement du management, HEC Montréal
- **Robert Anderson**, professeur, Faculty of Business Administration, University of Regina ; directeur de rédaction, Journal of Small Business and Entrepreneurship
- **Lawrence Veilleux**, directeur adjoint au mentorat, Fondation de l'entrepreneurship
- **Benson Honig**, professeur titulaire, Theresa Casoli Chair in entrepreneurial leadership; président, Conseil canadien des PME et de l'entrepreneuriat, De Groote School of business, McMaster University
- **Yvon Gasse**, professeur titulaire, Chaire en entrepreneuriat et innovation, Faculté des sciences de l'administration, Université Laval

#### **Modérateur :**

- **Robert W. Mantha**, doyen et professeur, Faculté des sciences de l'administration, Université Laval

Ce document retrace les grandes lignes des ateliers sur le thème « Entrepreneuriat ». Après une introduction, les conférences seront présentées par ordre chronologique, ceci étant suivi par une conclusion sur la journée. Durant les conférences de la matinée, deux thèmes ont dominé. D'abord, on a abordé la question des tendances en recherche en entrepreneuriat. Ceci a été suivi d'un questionnaire plus fondamental sur l'entrepreneuriat, l'élément prédominant étant l'éducation. La première conférence de l'après-midi a fourni une impression de la pratique. Monsieur Lawrence Veilleux, directeur adjoint au mentorat d'affaires de la « Fondation de l'entrepreneurship »<sup>11</sup>, a présenté le rôle et le fonctionnement de cette organisation. La suite de l'après-midi a porté sur le développement de l'entrepreneuriat, sur les problèmes actuels et sur les pistes à exploiter.

#### **Conférence 1 : État de la recherche en entrepreneuriat (Robert Anderson)**

En général, on observe une croissance exponentielle du champ de l'entrepreneuriat au cours des dernières années. Ceci est le résultat d'une recherche qui a été faite en termes de nombre de publications dans ce champ. Il s'agit d'une exploitation plutôt non scientifique

---

<sup>11</sup> Site web: <http://www.entrepreneurship.qc.ca/fr/default.asp>

d'une base de données, la question d'intérêt étant : « D'où viennent les connaissances dans le champ de l'entrepreneuriat? » En fait, on constate un accroissement important du nombre des articles en entrepreneuriat. De plus, il y a aussi un certain développement au niveau des champs; on voit apparaître de nouveaux champs comme l'entrepreneuriat durable ou l'entrepreneuriat social.

En termes de tendances, tant pour le Canada qu'au niveau mondial, on constate un fort développement du champ et l'émergence des nouveaux sous-thèmes. On ne parle pas uniquement d'une croissance au niveau du nombre d'articles soumis pour la publication (17993 articles publiés), mais aussi d'une augmentation du nombre de journaux spécialisés en entrepreneuriat (de 2 journaux en 1985 à 12 journaux en 2005). De plus, des publications dans ce champ paraissent également dans des revues majeures, comme « Academic Management Journal ». L'émergence des sous-thèmes a un impact sur le champ en général. Le sous-thème dominant est clairement celui de l'« Entrepreneuriat et développement » (26,6 % du total), ce qui donne l'idée d'une tendance majeure. Il est suivi par l'« Entrepreneuriat social » (5,5 %) et « Entrepreneuriat et Finance » (5,3 %). D'autres thèmes sont « New ventures » et l'« Entrepreneuriat international ». De plus, il est intéressant de remarquer l'apparition du thème « Entrepreneuriat et éducation ». La totalité des articles de ce sous-champ ont été publiés entre 2000 et 2009. La croissance se manifeste donc en termes de qualité et de quantité et les nouveaux thèmes démontrent les tendances que ce champ prendra dans un proche avenir.

### **Discussion dans la salle :**

Les résultats de cette recherche sont confirmés par ceux d'autres recherches. La recherche présentée ici regroupe dix sous-thèmes du champ de l'entrepreneuriat. Cependant, la croissance est encore plus rapide. À l'heure actuelle, on parlerait plutôt de dix-sept sous-thèmes. La question qui se pose maintenant est celle de savoir si la densité du champ laisse encore de la place dans le monde académique pour d'autres journaux en Entrepreneuriat. Selon M. Anderson, il y a sûrement de la place pour plus de publications, moins pour un autre journal. Une possibilité serait d'ouvrir la porte aux publications en ligne. Cependant, cette possibilité est souvent vue avec un œil critique. Un participant fait remarquer que la plupart des revues en entrepreneuriat ne sont pas des journaux classés « A », c'est-à-dire des revues académiques de très haute réputation. Il n'y a pas lieu de s'en surprendre, l'entrepreneuriat est un champ jeune, multidisciplinaire et en forte croissance. Il y a donc encore la possibilité d'une évolution au cours des prochaines années.

### **Conférence 2 : M. Filion – Chaire Bombardier HEC, professeur HEC Montréal**

Un autre point de départ pour discuter de l'entrepreneuriat est lié au fait qu'il existe des problèmes de productivité au Canada. Les facteurs à analyser seraient la culture en entrepreneuriat et la culture de l'innovation, c'est-à-dire la façon dont notre société est éduquée par rapport à la pensée innovatrice.

Comparée à d'autres pays, la productivité au Canada est plutôt faible. Un rapport publié par Desjardins arrive à la conclusion que la productivité est plus élevée aux É.U. qu'au

Canada. M. Filion reste critique par rapport à ces indicateurs économiques et souhaite apporter une autre perspective que la perspective économique. Au Canada, par exemple, il faut aussi tenir compte des coûts de distribution, des grandes concentrations urbaines, de la proportion croissante des PME. Il y a donc moins de possibilités de faire des économies d'échelle. De plus, au Canada on se concentre plus sur l'éducation traditionnelle que sur le développement d'une culture d'innovation (les personnes ne sont pas préparées à devenir des innovateurs). Il est donc important de s'interroger sur la culture entrepreneuriale. Les institutions ont développé l'entrepreneuriat, mais la population n'est pas préparée au niveau de l'éducation. Il faudrait donc traiter le problème de la productivité à la racine, c'est-à-dire par l'éducation.

Au Canada, on constate certains problèmes liés au vieillissement de la population et à la diminution éventuelle de la population active. Dans le contexte actuel, une meilleure culture entrepreneuriale serait un atout indéniable.

Un moteur de pro activité se trouve au niveau de l'éducation. HEC Montréal a commencé à former les étudiants à l'entrepreneuriat dès 1925 au niveau du baccalauréat. En 1975, Jean-Marie Toulouse a développé le « MBA Création d'entreprises ». Aujourd'hui, on enseigne l'innovation, l'entrepreneuriat, la création d'entreprises, l'entrepreneuriat et la gestion des PME dans le programme de baccalauréat : 1000 étudiants sur 1400 optent pour un de ces cours, ce qui signifie que 75 % des étudiants du programme de baccalauréat sont sensibilisés à l'une de ces matières à chaque année. M. Filion présente une vision historique de la formation à l'entrepreneuriat. Entre 1970 et 1990, on mettait l'emphase sur la création des « ventures ». Par contre, entre 1990 et 2010, l'attention s'est portée à la fois sur le développement des pratiques de soutien à l'entrepreneuriat (mentorat, centre d'entrepreneuriat/clubs). Entre 2010 et 2020, on parlera beaucoup plus de modèles multicomposites et des coopératives et des OSBL dans la perspective de l'entrepreneuriat. Ces tendances auront pour effet d'amener une spécialisation des chercheurs, des professeurs, alors qu'auparavant les professeurs, les chercheurs abordaient toutes les questions. À l'heure actuelle, on essaie également de développer des formations interuniversitaires, comme celle sur les entreprises familiales que HEC Montréal et l'Université McGill offrent conjointement.

Le conférencier constate l'existence d'une faiblesse au Canada, à savoir un manque de soutien aux « *spinn-offs* ». Pour le moment, des programmes de soutien existent uniquement en Ontario. L'éducation entrepreneuriale serait à redéfinir, une possibilité étant de s'inspirer des modèles de référence comme ceux du Brésil ou des États-Unis. Monsieur Filion ajoute que dans les médias, la notion d'entrepreneuriat est souvent banalisée, ce qui nuit au développement d'une culture de l'entrepreneuriat. On y attache souvent des connotations négatives, tandis que l'entrepreneuriat doit surtout être vu de façon positive, comme moteur de l'économie. Pour conclure, le conférencier présente trois recommandations. Premièrement, un cours sur l'innovation devrait faire partie des cours de base dans toutes les disciplines. Deuxièmement, il devrait y avoir un meilleur soutien notamment de la part du CRSH, au niveau des innovations et de ses applications. Troisièmement, il recommande l'ajout de conférences sur l'histoire des affaires et sur l'innovation dans chaque domaine universitaire, celles-ci devant être données par des

experts. La conférence se termine par une citation de Paul-Arthur Fortin, auteur et fondateur de la « Fondation de l'entrepreneurship », qui disait : « L'avenir est à l'innovation! (...) tout ce qui existe est déjà dans le passé ».

### **Discussion dans la salle :**

L'existence de formations interuniversitaires dans ce domaine est effectivement très utile. À McGill, par exemple, on regroupe des étudiants en droit et des étudiants en ingénierie pour leur enseigner les principes de l'innovation. Aussi, le « Centre d'entrepreneuriat, HEC Montréal, Polytechnique et Université de Montréal » réunit des étudiants provenant des trois institutions. On devrait augmenter les efforts pour réunir les étudiants de diverses disciplines, car cela fait en sorte que l'apport des diverses disciplines devrait susciter des projets différents, plus audacieux, et probablement plus innovateurs.

La discussion s'engage sur le lien entre la productivité et l'augmentation du nombre de PME. Certains croient qu'il y a une contradiction entre l'augmentation du nombre des PME au Québec et la productivité. Monsieur Filion mentionne qu'il faut aller au-delà de cette contradiction et indique que les pays les plus innovateurs sont ceux qui ont profité de la vague de l'entrepreneuriat. Selon lui, ce n'est pas le cas du Canada; voilà pourquoi on constate le besoin de développer un esprit d'innovation plus poussé. Monsieur Anderson rajoute qu'il faut poser la question du financement. Si l'on utilisait les fonds du CRSH, on les utiliserait pour faire quoi? Il faudrait s'interroger sur ce dont notre pays aura besoin pour les prochains 50 ans.

En réfléchissant sur l'innovation, on peut aussi parler de diversité au Canada. Il s'agit d'une richesse pour le Canada; le développement de programmes pour inciter les immigrants à choisir la voie de l'entrepreneuriat serait une piste à exploiter. Une autre piste serait le développement des structures. Le Royaume-Uni et l'Australie fournissent de bons exemples dont le Canada pourrait s'inspirer. La discussion se termine sur la question suivante : quel message envoyer aux responsables politiques et aux institutions gouvernementales concernant l'enseignement de l'entrepreneuriat dans les institutions scolaires?

### **Conférence 3 « Fondation de l'entrepreneurship »**

La « Fondation de l'entrepreneurship » existe depuis 30 ans et la présentation porte surtout sur le programme de mentorat qui existe aussi depuis 30 ans. Le directeur étant un entrepreneur de la haute technologie, la Fondation a surtout comme but renforcer les communautés entrepreneuriales, de renforcer système général pour stimuler l'entrepreneuriat. Pour ce faire, elle travaille avec une équipe riche et des nombreux partenaires comme Hydro Québec et Cascades. Sa mission se résume dans les mots « *informer – intéresser – former* ». Le Québec démontre une faible intention d'entreprendre. Le taux pour le Québec est plutôt bas (13,6 % versus, par exemple, 42 % en Thaïlande). Aussi, en termes d'entreprises en redémarrage, il reste du travail à faire (9,4 % Québec, 11,4 % dans l'Ouest canadien). Il est donc urgent d'augmenter le nombre

d'entrepreneurs au Québec. Il faudrait notamment renforcer les publications, les centres de recherches, et la culture de l'entrepreneuriat.

Le réseau de mentorat de la Fondation comprend 1100 mentors, dont 600 nouveaux membres par année. Un objectif de ce réseau est d'uniformiser la prestation de service (dans différentes régions, la pratique devrait être la même). On vise également un transfert d'expertise vers d'autres pays. Un exemple pertinent est le Pérou, où l'équipe effectue actuellement la formation de mentors et développe une certaine sensibilité. Au Pérou, par exemple, il existe différents moteurs à l'entrepreneuriat : l'entrepreneuriat par opportunisme, mais aussi par besoin de survivre.

Le succès du mentorat se montre par les chiffres qui révèlent qu'au niveau des entrepreneurs mentorés, le taux de survie a augmenté de 73 %. Le mentorat est un ancien terme et avec le temps, le mot « mentor » est devenu un synonyme d'un accompagnateur avisé, d'un ami, d'un animateur, d'une personne sage. Dans le contexte, on parle d'un « *Entrepreneur qui accepte de bénévolement accompagner un autre entrepreneur qui veut améliorer son savoir-être.* » Ce savoir-être se définit par les capacités génériques (initiative, persévérance, créativité), les habilités transférables (habilités de communication, de recherche...) et les capacités clés transversales (efficacité d'organisation, capacités de négociation). En jumelant un mentor et un entrepreneur, la Fondation vise le développement des connaissances d'un mentoré. On brisera l'isolement en affaires et le mentoré sera amené à reconsidérer son point de vue, tout en conservant son pouvoir décisionnel. En faisant du mentorat, il est important d'éviter des conflits d'intérêts et d'installer une confiance réciproque.

L'objectif principal de la Fondation est donc d'accroître les connaissances en affaires par le mentorat. D'autres objectifs secondaires sont de promouvoir la profession, de créer un sentiment d'appartenance à la communauté, d'améliorer la communication, de sensibiliser au plaisir de la profession et de préparer la relève. La Fondation a comme slogan : « *N'aie pas honte d'aller chercher de l'aide!* » et souligne surtout que cette aide sous forme de mentorat est accessible gratuitement. Il s'agit d'une « *nouvelle forme de bénévolat économique* ». Le mentorat est tout à fait complémentaire avec le coaching et la consultation qui focalisent plus sur le savoir-faire que le savoir-être. Une façon simple d'exprimer la différence est le fait que le coach met l'accent sur la tâche, tandis que le mentor a une vision de l'ensemble pour faire son travail. (Le conseiller oriente, le coach développe une compétence spécifique, le consultant recommande et le mentor accompagne.) Le coach, par exemple, demanderait plutôt « *Où pêcher? Quoi pêcher?* », tandis que le mentor poserait la question « *Qu'est-ce que tu veux pêcher? Qu'est-ce que tu penses attraper?* »

Un problème pour le mentorat est que la panique est souvent la motivation principale. Dans ce cas, le mentor intervient souvent trop tard; la démarche serait plus facile si l'entrepreneur avait été sensibilisé beaucoup plus tôt aux avantages de faire appel à un mentor. Parfois dans la pratique beaucoup de gens ont de la difficulté à trancher entre le mentorat et le coaching. Les avantages du mentorat sont nombreux, la « Fondation de l'entrepreneurship » offre une passerelle extraordinaire entre les générations, surtout dans

le contexte des changements démographiques. Le mentorat permet de comprendre que personne ne veut agir à la place des entrepreneurs, c'est à eux de faire les choix qui semblent les meilleurs. Monsieur Veilleux termine en disant qu'il ne veut pas imposer une règle, mais plutôt entendre les commentaires des experts présents sur le rôle et l'importance du mentorat pour les entrepreneurs.

### **Discussion dans la salle :**

Encore une fois, il est à souligner qu'un atout important de Montréal est la diversité culturelle. Le mentorat peut prévenir une « ghettoïsation », amener une meilleure intégration et favoriser une meilleure culture d'entrepreneuriat. On félicite la Fondation, en disant que « *mieux les entrepreneurs sont encadrés, mieux c'est* ». Un autre aspect à souligner est le programme de la relève, un enjeu crucial pour la société canadienne. Le programme de la relève est en développement à la Fondation de l'entrepreneurship, et dans ce programme, on voudrait valoriser toutes les formes de relève, y compris celle qui signifierait que la relève vient de l'extérieur de l'entreprise.

### **Présentation 4 (Benson Honig)**

L'entrepreneur est avant tout le « *Créateur d'une organisation* ». En se penchant sur les tendances et perspectives, on se rend compte rapidement qu'il s'agit d'un jeune champ disciplinaire. Ce jeune champ est très important, car les entrepreneurs créent la moitié des nouveaux emplois au Canada. De plus, l'entrepreneuriat offre de bonnes opportunités de s'intégrer en tant qu'immigrant.

Avant de comparer le Canada à d'autres pays, Benson Honig souligne que « *Le rêve américain n'est pas le rêve canadien* ». La culture canadienne est différente est se distingue des autres. L'immigration peut être considérée comme une force du pays et, à cause de cette force, le Canada pourrait s'approcher de la position des États-Unis, en termes de succès, dans quelques années.

On observe plusieurs tendances au niveau de l'entrepreneuriat. Les plus importantes sont les suivantes : entrepreneuriat social, entrepreneuriat transnational, hybrides publics/privés, « Venture Capital ». Pour Honig ces développements de l'entrepreneuriat posent plusieurs problèmes. D'abord, il existe un manque de compréhension du concept de l'entrepreneuriat. La recherche est importante, mais « *on compte souvent les vaches* », c'est-à-dire qu'en termes de recherche, nous regardons toujours la même chose, mais à la surface. Le deuxième problème est qu'on recommande trop souvent aux gens de se lancer en affaires. Le risque d'échouer est cependant très élevé. Le conférencier souligne que « *l'entrepreneuriat n'est pas un billet de loterie!* » De plus, il ajoute que l'examen des meilleures pratiques est plutôt une perte de temps. Qu'est-ce qu'on peut apprendre de Bill Gates? Pas grand-chose! À la limite, nous apprenons plus des erreurs que des succès, mais les erreurs sont trop rarement exposées. Au lieu de vouloir recréer un succès comme celui d'*Apple*, on devrait plutôt viser à créer un environnement général favorable à l'entrepreneuriat en termes politique et économique. Afin de clarifier ces préoccupations, Honig soulève trois questions :

- 1) *Est-ce qu'il y a un nombre optimal d'entrepreneurs au Canada? (est-ce qu'on peut en avoir trop?)*
- 2) *Est-ce qu'on peut changer la culture pour qu'elle devienne plus (ou moins) entrepreneuriale?*
- 3) *Quel est l'impact des nouveaux arrivants au Canada en termes d'entrepreneuriat?*

Enfin, il termine avec une autre question: *comment peut-on améliorer l'entrepreneuriat au Canada?*

### **Conférence d'Yvon Gasse**

La contribution des nouvelles entreprises à l'économie et à la création de nouveaux emplois est une question intéressante à poser. Aussi, il est pertinent de se pencher sur les façons d'augmenter la diversification de la nouvelle économie. Dans le contexte de l'entrepreneuriat, il y a trois questions fondamentales à se poser, selon Gasse. D'abord, il faut examiner la faisabilité du projet d'entreprise. Par la suite, il faudrait se poser la question de la faisabilité d'une idée en affaire. Ces deux questions devraient être clarifiées avant d'arriver à la dernière question : « *qu'est-ce qu'on fait?* »

Les réponses à ces questions sont souvent influencées par des facteurs sociétaux. Par exemple, la question relative à la désirabilité est fortement influencée par les valeurs et les perceptions d'une personne ainsi que ses compétences. Le conférencier ajoute qu'il ne faut jamais oublier l'influence de la culture à travers laquelle, selon lui, se transmettent les valeurs d'une société : ceci inclut la famille, la religion, la structure sociale et l'éducation. D'autres déterminants relatifs à l'entrepreneuriat peuvent être identifiés au niveau régional, local, national ou politique. Gasse insiste sur le rôle crucial du politique : le soutien devrait surtout venir du gouvernement. Les entrepreneurs doivent pouvoir compter sur des programmes de soutien, notamment sur les incubateurs, l'innovation et la technologie.

On devrait élaborer des stratégies pour développer des communautés en entrepreneuriat, mais comment faire? D'abord, il est difficile de transmettre le succès d'un cas à l'autre. Est-ce qu'un changement culturel sur plusieurs générations est faisable? Pourquoi ne voit-on pas plus de retombées économiques au Québec? Gasse constate qu'on trouve plus de questions que de réponses. Le Canada devrait tirer des leçons d'autres pays qui fournissent de bons exemples en termes de promotion, d'éducation, de réduction des barrières, de financement des startups et des systèmes de soutien. Pour Gasse, le problème du Canada est que les retombées à court terme dominent et empêchent les retombées à long terme. Il conclut sa réflexion en disant qu'il n'existe pas de « *one best way* ». Il devrait y avoir des initiatives gouvernementales qui soient adaptées au contexte local. De plus, il insiste sur le fait que les stratégies et leur mise en place prennent du temps et qu'on devrait leur permettre d'évoluer.

## **Discussion dans la salle**

Il y a plusieurs exemples de création d'infrastructures fructueuses, par exemple, le cas du soutien fourni à Nortel. Par contre, peu d'investissement a été fait au niveau du développement du marché. Il existe des stratégies à l'égard du développement de la technologie, mais il manque les étapes subséquentes. De plus, il est difficile de s'occuper de l'ensemble du processus (de l'innovation et du marketing, par exemple). En interaction avec les personnes dans la salle, Gasse prône le succès des alliances stratégiques. Monsieur Filion cite l'exemple de la Finlande, de la France et des initiatives du gouvernement en Angleterre. Pour lui, il n'existe « *rien pour soutenir les PME!* » au Canada. Par contre, aux États-Unis on voit de meilleures conditions et, en Suède, il y a quatre instances pour soutenir les petites entreprises. On devrait réfléchir davantage aux soutiens financiers à offrir aux PME, en particulier développer et faire la promotion d'une véritable stratégie de l'innovation : « *Now what ? So what?* »

## **Synthèse de la journée**

L'entrepreneuriat est un secteur en forte évolution qui se manifeste par le nombre d'articles scientifiques et aussi par le nombre des sous-champs émergents. Beaucoup de chercheurs s'y intéressent dans le but d'améliorer la prospérité d'un pays et d'initier à l'innovation. Dans une perspective de comparaison avec d'autres pays, le Canada devrait renforcer sa position et changer la culture de l'entrepreneuriat pour stimuler ce dernier. Plusieurs forces sociétales ont pu être détectées, ces dernières pouvant faire en sorte que le Canada développe un avantage compétitif. Par exemple, le nombre des PME est en forte croissance, le Canada pouvant profiter de la diversité offerte par l'immigration et par des initiatives comme le mentorat. Pour développer des avantages compétitifs, les entrepreneurs ont surtout besoin d'incubateurs et de programmes gouvernementaux qui les soutiennent dans leur stratégie d'innovation, comme on en trouve dans d'autres pays.

## **Annexe 1.5**

### **Ateliers sur les technologies de l'information et des communications**

**par : Saeed Akhlaghpour**, candidat au doctorat, Université McGill

#### **Introduction**

This manuscript provides a summary report of the Information and Communication Technology track of the National Forum on Management. The track was held on September 30<sup>th</sup>, 2009, as part of the three-day forum in HEC Montréal. The six talks presented in the track along with the discussions by forum participants are summarized. Moreover, for each of the talks, certain ideas with potentially strategic implications for research and practice are identified and iterated in this document. The manuscript is structured based on the chronological order of the sessions. It concludes with a review of the major results from the forum discussions, and suggested directions for future impactful research.

#### **Session Summaries**

##### **Session 1 - State of the art in ICT**

###### **Moderator:**

- **Henri Barki (Canada Research Chair in Implantation and Management of Information Technology), Department of Information Technologies, HEC Montréal**

The first session of the track was devoted to a review of the current themes in ICT research conducted by Canadian scholars. Speakers examined ICT research from four different perspectives; namely, individual engagement with technology, analysis and design of systems, implementation and governance of systems in organizations, and economical drivers and impacts of ICT. In addition to reviewing the status-quo, each speaker provided insights and suggestions with regard to the emerging topics that Canadian researchers should pay more attention to.

According to the session moderator, Dr. Barki, Canadians possess a fairly strong standing within the field of Information Systems. Based on a recent review of the leading ICT research, 5 Canadian schools rank among the top 30. These are University of British Columbia, University of Calgary, Queen's University, HEC Montréal, and McGill University (also, University of Western Ontario is the 33<sup>rd</sup> in the list)<sup>12</sup>. Likewise, 6 of the

---

<sup>12</sup> For the complete study, see Lowry, Paul Benjamin; Karuga, Gilbert G.; and Richardson, Vernon J. (2007) "Assessing Leading Institutions, Faculty, and Articles in Premier Information Systems Research Journals," Communications of the Association for Information Systems: Vol. 20, Article 16. Available at: <http://aisel.aisnet.org/cais/vol20/iss1/16>

top 30 scholars (ranked based on the number of citation their works has received) are affiliated with Canadian universities. The session continued with the following four presentations:

**Presentation 1: "Design, Implementation, and Evaluation of Information and Communication Technologies" - Izak Benbasat, Professor (Canada Research Chair in Information Technology Management), Management Information Systems Division, Sauder School of Business, University of British Columbia**

Dr. Benbasat's talk was a review of Canadian research examining individuals' interactions with information systems. These individuals could be organization managers, professional workers, IT staff, e-commerce customers, citizens, and so on. In his survey, Dr. Benbasat identified several sub-domains in the ICT field in which Canadian scholars excel, these include electronic commerce, recommendation agents for e-commerce, customer-business communication research in e-commerce, human-computer interaction (HCI) research in e-commerce, cognitive aspects decision support systems, adoption and implementation of IT for individual users, and business-IT alignment. Nevertheless, there are certain emerging areas which –according to Dr. Benbasat- Canadian researchers should also focus on. Green IT is among those topics with considerable potential in providing sustainable competitive advantages for organizations, and for society. This area of research pertains to IT-related initiatives and programs that directly or indirectly address environmental sustainability in organizations, and the applications of IT to encourage sustainability. While Canadian scholars (e.g., in Queen's University, and University of Victoria) have initiated leading research, there is still much to be done in this area.

**Presentation 2: "Enhancing Information Systems Quality by Improving Information Systems Analysis and Design Methods" - Jeffrey Parsons, Associate Dean of Research and Professor, Management Information Systems, Faculty of Business Administration, Memorial University of Newfoundland**

Dr. Parsons's talk was about the current themes in Canadian research on System Analysis and Design. Careful analysis and design guarantees more successful ICT projects accomplished on time, on budget, and with the expected functionality. On the other hand, ignoring this important phase, incurs potentially huge costs to organizations as the cost of detecting and fixing errors increases significantly as commitments are made during IS development or acquisition.

Current research on system analysis and design has markedly important implications for successful alignment and synergy between business people and ICT professionals. For example, by examining how different stakeholders in organization make sense of conceptual models, scholars seek to improve the efficacy of languages and notations used for modeling business processes, entities, and workflows. The outcome of such research lays the ground for improving current processes of organizations, and developing better systems that will be actually used by organization members. This, nonetheless, cannot be achieved without mutual understanding and communication between researchers, IT practitioners, and managers. To this end, Dr. Parsons and his colleagues, are developing a new website ([www.Quick-SAND.org](http://www.Quick-SAND.org)) aimed at facilitating two-way communication

between academia and industry. The website offers short articles that relay important research results from academics to wider practitioner community, and provides a platform for practitioners to comment on academic work and to help to influence the direction of academic research. This project is funded by SSHRC Public Outreach Grant.

**Presentation 3: "Information Systems and Economics - Productivity, e-Commerce, and Organization Design" - Barrie R. Nault, David B. Robson Professor (Informatics Research Centre), Management Information Systems Area, Haskayne School of Business, University of Calgary**

Dr. Nault's talk was about the economical aspects of information technology assimilation and use within organizations and markets. This area of ICT research is a relatively new and growing one. Nevertheless, it is one of the areas that Canadian schools need to strengthen in; around 20% of active IS researchers in the United States are working in this area (roughly 200-250 individuals), while fewer than 15 scholars (roughly 15%) of IS researchers engage with this type of research in Canada.

Canadian scholars in the field of economics of IT have studied several sub-domains including E-commerce, search and auctions, IT security, IT and organization design, supply chains, and IT impact on productivity. Issues addressed in each of these areas have several significant implications for businesses and organizations. For example, within the realm of security of Information Systems, there are several important research questions that need to be examined. These include the right time and frequency of sending security patches by the IS vendors, the optimum update cycle for the firms using an IS, and the synchronization among clients and vendors in this regard. Similarly, if certain vulnerabilities in a system are identified, it is of great importance to have the best policy for revealing such security risks, e.g. –hypothetically- if vulnerability is found in the Canada Revenue Agency, should it reveal the issue to public or only to the accounting firms using the web sites. This is not a trivial question; in the former approach, those who didn't know about the problem would suddenly become aware of it, while in the latter, certain firms/users may be missed in the private revealing process.

**Presentation 4: "Governance of Information Technologies" - Blaize Horner Reich, RBC Professor of Technology and Innovation, Management Information Systems, Faculty of Business Administration, Simon Fraser University**

Dr. Reich's talk was about the governance and implementation of IT in organizations. Not much need to be said about the importance of this issue. This stream examines the "bottom line" of IT related initiative, i.e. whether organizations succeed or fail in implementing IT to support their strategies. What makes the issue more critical is the alarming statistics about the high failure rates of IT projects (between 50% to 70%)<sup>13</sup>. Given the high expenditure on IT (IT is the top capital spend in Canada), finding more promising

---

<sup>13</sup> Different values have been reported for the percentage of IT project failures. See <http://pmperspectives.org/article.php?view=full&aid=22>

approaches for IT governance, and thereby IT implementation, is an imperative for Canadian IS scholars.

For this talk, Dr. Reich compiled a sample of 71 articles in the abovementioned stream of research published since year 2000 by Canadian academics. These were classified into 5 general categories, namely, alignment of business and IT, IT projects, outsourcing, industry and inter-firm, and impact of new technologies. Results of this survey of articles reveal that Canadian scholars have established a world-class reputation in the areas such as organizational level alignment of business and IT, ERP implementation, and knowledge management.

Nevertheless, Dr. Reich emphasized on the importance and criticality of making academic research impactful to organizations and businesses. She applauded the steps taken towards this end; in particular, SSHRC knowledge mobilization initiative designed to enable non-university communities to benefit from existing academic research knowledge. It was also suggested that universities should provide mechanisms that enable researchers get credit for this type of activities, i.e. reaching to practitioners should be somehow valued in a similar manner that publishing papers are recognized as achievements for university professors. Trying to address this research-practice gap, Dr. Reich and colleagues, have developed a website ([www.pmperspectives.org](http://www.pmperspectives.org)) dedicated to establishing a more direct and effective communication channel between project managers and project management researchers. Just as an example of such activities, Dr. Reich and her colleagues -with the help of professional writers- transform long academic research reports (often 40+ pages) to 1000 word online pieces useful for, and readable by, project managers. This website is supported by the SSHRC Public Outreach Grant.

## **Session 2 - When Research Becomes Practice: The Case of Risk Management in Information Systems Projects**

### **Speakers:**

- **Suzanne Rivard, Professor (Chair of Strategic Management in Information Technology), Department of Information Technologies, HEC Montréal**
- **Patrick Des Marais, President, GlobeImpact**

### **Moderator:**

- **Pamela Ritchie, Dean, Faculty of Business and Information Technology, University of Ontario Institute of Technology (UOIT)**

The findings of research conducted by IS academics (Dr. Benoit Aubert, Dr. Michel Patry, and Dr. Suzanne Rivard) at HEC Montréal and CIRANO -an interuniversity research centre- has been employed in building a business risk management software. The software has been developed by GlobeImpact –a Montréal based management consulting company. Having accomplished a fruitful joint project, Dr. Rivard and Mr. Des Marais (president of

GlobeImpact) presented their reflections and post-thoughts on this successful collaboration between academia and industry.

Dr. Rivard briefly reviewed an extensive research project on software risk management conducted at HEC Montreal and CIRANO. The overall objective of the project was addressing the problem of high failure rates in software projects. The project has resulted in several research articles in 1990s and 2000s. Mr. Des Marais, whose company has built the software based on the results of this research, explained some of the obstacles he had faced in presenting academic knowledge to businesspeople. He put forward some guidelines to facilitate this process. These include showing the weakness in how businesses currently do a certain task, convincing higher management of the value of a paradigm shift, splitting the solution in 10 simple pieces, walking managers through a case, and engaging them with their own business case.

In a seminal paper titled “Empirical Research in Information Systems: The Practice of Relevance”, Izak Benbasat and Robert Zmud, explain the nature of research that is perceived relevant by managers, i.e. the topic has to address an enduring or current organizational problems, and the implications have to be implementable. Based on her experiences in this project and others, Dr. Rivard proposed adding a third criterion: “The results have to be implemented”. She suggested that researchers should approach certain individuals who face relevant problems, and try to collaborate with them in the problem-solving process. Transferring academic knowledge to businesspeople requires openness from the latter side. According to her, a “mindful” adoption is more likely to happen in situations where practitioners have felt the need to employ the state-of-the-art knowledge in solving business problems. Dr. Rivard, also proposed a second approach: researchers should try to become institutional entrepreneurs. Researchers often face the situations where despite the fact that their proposed novel method/artifact is better than the current one, yet the current practice has reached a status of “taken-for-granted’ness, i.e. it is considered a standard everyone has to comply with. However, according to Dr. Rivard, researchers can act strategically and become involved in standard-making procedures, e.g. try to promote their project management methods to the extent that it becomes a part of the Project Management Body of Knowledge (PMBOK) guidelines. Another strategy can be changing the institutional norms through teaching future practitioners. Nevertheless, as pointed by Dr. Rivard, these methods demand considerable patience which is not always an option given the time constraints on academics.

### Session 3 - ICT: A Look Forward

**Speaker:** Leonard Waverman, Dean of the Haskayne School of Business, University of Calgary; Fellow, Centre for Management Development at London Business School

**Discussant:** Jacques Robert, Fellow, CIRANO; Associate Professor, Department of Information Technologies, HEC Montréal

**Moderator:** Pamela Ritchie, Dean, Faculty of Business and Information Technology, University of Ontario Institute of Technology (UOIT)

Given the relatively low statistics of the Canadian productivity growth in comparison with the other G8 countries (see Table 1), Dr. Waverman's talk was examining the basic question of "Why is Canadian Productivity Performance So Poor?" He approached this question with a particular attention to the role of ICT.

**Table 1 Labor productivity growth (GDP per hour, %) – Source: The Conference Board, January 22 2009**

| Country                    | 2000-2008 | 2008* | 2009** |
|----------------------------|-----------|-------|--------|
| US                         | 2         | 1.7   | 0.5    |
| France                     | 1         | -0.6  | -0.3   |
| Germany                    | 1.1       | -0.1  | -1.5   |
| Italy                      | -0.1      | -1.2  | -0.7   |
| UK                         | 2         | 0.2   | 0.5    |
| EU27                       | 1.5       | 0.2   | 0      |
| Japan                      | 1.8       | 0.9   | -0.5   |
| Canada                     | 0.9       | -1    | 1      |
| * Preliminary ** Projected |           |       |        |

Economists have attributed 40% to 50% of the country-wide productivity growth to ICT investments. Dr. Waverman provided a quote from the European Commissioner reading (February 2, 2009):

*"The Internet underpins the entire economy in an increasing part of the world. Information and communication technologies (ICT) contributed 40 per cent of overall productivity growth in the economy for the ten years up to 2004. The networking effect has made possible an accelerated and global diffusion of innovation. The ensuing changes to our economy, as well as to the lives of our citizens, have been remarkable."*

In addition, a remarkable research conducted by Dr. Waverman and his colleague points out that from a macro perspective, the main reason behind the US/Canada productivity gap is not differences in labor or skills, per se. But, it is ICT that explains roughly 50% of this productivity gap. Statistical data confirm the fact that Canada ranks below several other developed countries in terms of its ICT investments<sup>14</sup>.

Based on his own research and other reports, Dr. Waverman put forward a number of policy making suggestions aimed at improving the current status of ICT use in Canada. These, in turn, would lead to higher productivity and performance for the country. The suggested policies include providing tax incentives to stimulate all sectors' ICT investment, and incentives to facilitate development of ICT infrastructure. From a research perspective, Dr. Waverman called for a closer collaboration between IS scholars who study ICT phenomena at micro levels (e.g., individual, project, and organization), and those who employ macro perspectives. Research conducted by such a "coalition" would potentially result in a more comprehensive understanding of the ICT role in the Canadian national economy.

The main presentation in this session was followed by a discussion performed by Dr. Jacques Robert. He pointed out some possibly overlooked factors, and alternative explanations for the US/Canada productivity gap. According to Dr. Robert, general policy issues such as higher tax rates in Canada might be an influential factor, likewise climate and geographical issues could have an impact, for example, having areas with denser population, in itself, can be a facilitator for the growth of several types of businesses.

There were also discussions from forum participants; Dr. Blaize Reich brought up the hypothesis that the higher –relative- number of business graduates in the US could also be a factor in the overall productivity. Dr. Pamela Ritchie also talked about the need for training IT professionals with sufficient business skills who could integrate IT and business knowledge in workplace.

### **Concluding remarks**

A number of common points can be identified from the presentations and discussions of the ICT track. Most of the scholars in the Forum agreed that currently, one of the critical issues in the field is bridging the gap between academic research and business practitioners' engagement with IT. Reflecting on her experience, Dr. Rivard provided guidelines and suggestions for a successful knowledge transfer between academia and industry. Likewise, Dr. Reich and Dr. Parsons, talked about their efforts in building websites devoted to establishing direct and effective communication channel between practitioners and academics. Forum participants viewed SSHRC Public Outreach Grant as a very promising mechanism for promoting and prospering this type of knowledge transfer. According to them, similar mechanisms for promoting these endeavors should be employed by universities as well.

---

<sup>14</sup> For a number of these comparative statistics, please refer to Dr. Waverman's presentation slides available at the forum website: <http://expertise.hec.ca/forum2009/2009/06/18/ict/>

Based on the presented reviews of the ICT research, Canada seems to possess a strong standing within the field. Participants in the forum attributed this to a number of factors, including the presence of funding from institutions like the Social Sciences and Humanities research Council of Canada (SSHRC), Natural Sciences and Engineering Research Council of Canada (NSERC), and the Canadian Institutes of Health Research (CIHR). Establishment of a strong and coherent Information Systems track at the annual conference of the Administrative Sciences Association of Canada (ASAC) is also an influential factor in excelling Canadian ICT research. For more than 25 years, the track has been very successful in gathering together Canadian IS scholars.

Finally, based on the current assessment of the field, and analysis of potentially strategic issues, the Forum participants proposed certain directions for future research. These include examining Green IT as a driver for sustainable competitive advantage, investigating the wide applications of IT for improving the quality and efficiency of healthcare system in Canada, and studying the ways that IT can help in improving the productivity of organizations and the overall prosperity of national economy.

## Annexe 1.6

### Ateliers sur la **chaîne de distribution** et la **logistique**

Par Benhaz Saboonchi, candidat au doctorat, HEC Montréal

This report provides a summary of the six presentations on three main themes in the *Supply Chain Management and logistics* workshop, held on October 1<sup>st</sup>.

1. **Montreal, Center of Excellence in Transportation Research**, Moderator: **Bernard Gendron**, Professor, Université de Montréal; Director, Interuniversity Research Center on Enterprise Networks, Logistics and Transportation (CIRRELT)

- 1.1 **The Roles of Research Centres**, by **Gilbert Laporte**, Professor, Canada Research Chair in Distribution, Department of Management Sciences, HEC Montréal

The first lecture was given by Dr. Gilbert Laporte, who started by mentioning the fact that Montreal is a world-leading pole in transportation research. According to him operations research (OR), which was created in the war time, is not well defined and modelling and applying it when human factors are in play, are very difficult. Besides there is always human resistance against applying the decisions derived by OR.

He then went back to the leading position of Montreal in OR in transportation, at the same level of other leading transportation research centres such as MIT and Georgia Tech., owing to the large number of students and researchers in Montreal and the existence of the two big research centres: CIRRELT and GERAD. There are also four world-class companies which have been derived from these two research centres: GIRO, INRO, ADOPT, EXPRETIO. According to him, the key to success has always been attracting the best students and researchers from all around the world to Montreal.

Transportation planning is done at three decision levels; Strategic level: Airports, highways and metro networks, Tactical level: warehouse location, bus routes, and Operational level: work schedules, shipping routes etc.

Finally he discussed the strategic mistakes in Montreal's highways and metro station design, and the fact that other metro designs such as the Chicago's model could have provided better connectivity in Montreal.

In the question and answer time, in response to one of the questions he mentioned that the future trends in the transportation planning are the dynamic and stochastic models. Following his response, Dr. Crainic added

that the research in transport is already in this direction, trying to create robust and flexible models in order to address today's dynamic problems.

**1.2 The Creation of Spin-Off Enterprises in Transport**, by **Micheal A. Florian**, Emeritus Professor, Département d'informatique et de recherche opérationnelle, Faculté des arts et des sciences, Université de Montréal; Director, INRO Consultants

The second presentation was done by Dr. Florian, the founder of the INRO Company, which is a medium-sized company on transportation planning software development. INRO has clients in more than 80 countries, including 12 of the 25 largest cities around the world. The creation of such companies allows the researchers to test the theories in the real world. What's really important is to continue the academic job at the university, and not to stop the research at any time, as it takes a world-quality research to be able to create a successful company. Global partnership and access to local networks are other important factors in the successful sales of the software.

Some of the important functions of their software (EMME toolkit) include the simulation of the traffic, public transport route selection, and destination selection based on economical and ethnographical data. This toolkit can also be used to illustrate the CO<sub>2</sub> emission levels on the map that could be used by the government to plan environmental initiatives.

Finally, in response to one of the audience questions regarding the challenges of the company in the past, he mentioned that apart from severe competition in the domain, the biggest challenge that the company has faced is the fact that their team is almost fixed and the leave of the team members has a large effect on them. Since their working environment has been basically derived from an academic setting, and that the culture of the researchers and the company in large, is very different from that of the other competitors in the domain.

**2. Intelligent Transportation**, Moderator: **Mishel Gendreau**, Professor, DIRO Department, École Polytechnique de Montréal

**2.1 Transportation System Intelligence : The Promise and Continuing Opportunities**, by **Hani S. Mahmassani**, Professor, William A. Patterson Distinguished Chair in Transportation, Department of Civil and Environmental Engineering, McCormick School of Engineering and Applied Science, Northwestern University

Dr. Mahmassani started his presentation with the idea that in intelligent transportation systems (ITS) the element that is missing is the "intelligence" itself! He continued by explaining that today we possess the technology and

the high-tech devices in order to control the traffic, but what's lacking is the intelligent use of the available facilities. In order to support the idea he gave an example of the "Transguide", a traffic control center in Texas, which was equipped with the most advanced technology at the time, in order to observe the traffic all around the city. During a visit to the center, Dr. Mahmassani asks a question that what they do when they observe an accident, and they mention that they simply call the police! Nowadays of course with the invention of cellular phones this could be done by the people on the scene themselves.

Then he explained the new technological advancements such as the GPS, wireless Internet, and wireless sensors etc, that are used to provide real data. Now the next step is how to use the data provided by the technology. This calls for new methods to simulate the networks, and assign models to use the real data in order to make short term predictions. These predictions could be used for the dynamic pricing of toll ways and to control the flow of highways and traffic in general. The difficulties facing these models are the involvement of human beings which are not controllable and the lack of coordination and institutional framework to support such models.

To conclude he stated that the best way to bring back the "intelligence" element in the ITS is to use the real data provided by technological advancements in order to make predictions. Then to use the predictions intelligently, which will lead to the best reliability and the highest throughput in the traffic control systems.

## **2.2 Intelligent Merchandise Transport and Logistics Systems, by Teodor Gabriel Crainic, Professor, Department of Management and Technology, ESG- UQAM**

Dr. Crainic started by presenting some statistics on the congestion costs of motor carriers and emission level of trucks in Montreal, in order to show the importance of city logistics management.

This research area has emerged in the 1990s, as the result of the high level of congestion in the large cities around the world. The idea is to minimize the congestion and emissions, without penalizing city center activities. Unfortunately this area has not been explored to its fullest capacity and is still lacking data in North America and especially in Quebec.

Some ideas proposed in other countries include limiting the number of licences and the number of cars that can enter the city center, or to coordinate and group all the carriers that ship within the city center.

According to Dr. Crainic there is little research on the integration of urban transport with other transportation topics, as the result there is the need for research funding on the topic and the collaboration of governmental bodies.

Finally, he pointed out that in order to solve the city logistics problem, we need to coordinate and centralize the shipments into the city, which would be impossible without the government intervention. Since there are a lot of coordination, legal, and monetary issues in play.

**3. Research in Road Safety**, Moderator: **Patrick Boyer**, Research Analyst, Evaluation Data Systems, Road Safety, Transport Canada

**3.1 Use of Administrative Databases in Road Safety**, by **Francois Bellavance**, Professor, Transportation Safety Laboratory at CIRRELT, Department of Management Sciences, HEC Montréal

Dr. Bellavance explained that the road safety covers three important aspects: Users' behaviour, road infrastructure and the environment, and the vehicles. He then focused his presentation on the human aspects of the road safety.

One interesting issue was the close collaboration of the "Société de l'assurance automobile du Québec", and the university on the road safety research. The provided data by SAAQ usually concerns the rate of accidents, the drivers and the compensation of the victims etc. Some research that has been conducted so far with the collaboration of SAAQ includes: the effects of cellular phones on fatal accidents, the impact of SUVs and smart cars, the impacts of the fatigue factor on driving and the effects of safety seat belts on the number of fatal accidents etc, among which he presented the research results on the impacts of using the cellular phones while driving.

The interesting results of the cellular phone research reveal the fact that using the hands free or talking directly on the cellular phone does not change the chances of accidents statistically, and also there are more men than women that use cellular phones while driving. The research confirms the positive relationship between the use of cellular phones while driving, and the number of fatal accidents.

He finally ended his presentation by mentioning that obtaining exact statistical results is very hard, since the exact time of the accident cannot be known. It is also hard to explain the exact relationship between the last time the driver was on the phone, before or during the accident (based on the data provided by the phone companies), and the rate of accidents. Because the time of the accident is usually registered as the time that the police arrives,

and the drivers do not exactly mention that they were on the phone at the exact time of the accident, for insurance reasons.

**3.2 Research in road Safety: A Tool in Decision Making, by Lyne Vézina, Director, Road Safety Research and Strategies, Société de l'assurance automobile du Québec**

The last presentation was the continuation of the previous one on road safety, from the SAAQ's perspective, on how and up to level point the academic research has affected the society's decisions over time.

According to Mrs Vézina, there has been a 75% decrease in the rate of fatal accidents, and 11% decrease in the total number of road victims in general since 1973. This has happened while there has been an increase of 25% in the number of vehicles during the same period of time. All this have been achieved owing to the strategic decisions made by society in order to increase the awareness of the users, safer vehicles and better road infrastructures.

In terms of the importance of the research on road safety she mentioned that the society conducts internal research, university research and also research with external bodies. She also stated that even if some research has been done elsewhere, we cannot apply their results directly in Quebec. Since people need to believe the research results that are obtained based on the data derived in Quebec, so that they will play by the rules.

Some important decisions that have been backed up by research results are the ones concerning the speed limits, blood alcohol level, special medical conditions and driving, safety seat belt, banning cellular phones while driving, child special seat restrictions, etc. Of course the final decisions have been made taking the social, economical and political contexts into account.

She concluded her speech by mentioning that the final objective of the SAAQ is to reduce the number of the road victims and to have a high-performance administration.

## **Annexe 1.7**

### **Ateliers sur l'énergie et environnement**

Par Michel Keoula, candidat au doctorat, HEC Montréal

#### **State of the Art in Energy and Environment**

The panelists in this session are two professors of the Ivey Business School of the University of Western Ontario, **Tima Bansal** and **Guy Holburn**, and the Dean of the Molson Business School of McGill University, **Sanjay Sharma**.

As pointed out by the moderator, **Rod White**, associate Dean at the Ivey Business School, the session features the academic side of energy and environment. He urged for a dialogue to identify the unanswered questions relating to Canada's competitive advantage in the areas of energy and environment.

#### **Presentation of Tima Bansal**

Tima Bansal is also the Director of the Research Network for Business Sustainability (henceforth NBS), of which she gave a glimpse of the activities. The NBS is a space of collaboration between businesses, academics, non-profit organizations and government to try to bridge the gap between business research and practice and achieve sustainable solutions. After two years, the network comprises more than 400 researchers, primarily in Canada, and reaching over a thousand practitioners.

She defines sustainable businesses as resilient businesses that create value, healthy ecosystems and strong communities. The notion of resiliency is emphasized with respect to the goal of making money over the long term.

The need to bridge the gap between business research and practice stems from the fact that the language used in published work is not understandable to managers. Researchers care about precision and methods. To better serve managers, there is a need to take the research one step further. Managers want very prescriptive, not descriptive results (Just tell me what to do!).

In the network, managers tell what they want researchers to do as research (information to have, questions to be answered). This generates a whole bunch of questions. Based on that, there is a systematic review that is done for the top two questions. First, the body of evidence on the subject is explored. Then, researchers synthesize relevant studies and make them available to the network.

Taking the example of socially conscious products, the result would be: given the body of evidence, it can be said that, at the end of the day, people want to pay 6 to 10% more on socially conscious products. Managers also want to know the broader social goal of a project. For example, tell the manager that he might get 10% return on the project without compromising the product quality.

Finally, she presents a top list of the questions identified in the NBS in 2008 and 2009. It appears that in 2008, adaptation to climate change and socially conscious products top the list of the questions asked. In 2009, managers care about the measure and value of ecological impacts (that is carbon disclosure projects, carbon footprint projects) and how to embed sustainability into corporate culture.

Concerning the state of the research, she points out that, among areas related to environment, green finance seems to be an area where there is little research.

### **Presentation of Guy Holburn**

Guy Holburn presents the conclusion of a research he has been leading on renewable energy investments in Ontario.

Driven by new environmental and climate change policies, competition between governments and jurisdictions is intense for companies to invest in new renewable energy generation and also to develop companies capable of innovating in renewable energy technologies. In Ontario, investment rates are low compared to the U.S. or Germany, and the government hasn't met its renewable energy targets. The natural research question is then: what distinguishes Ontario compared to other jurisdictions in terms of getting green capacity lines or developing a green energy sector?

In a survey of more than a hundred of renewable energy companies (63 wind developers, 12 solar developers, 36 technology manufacturers) conducted at the end of 2008, Guy's team tries to understand how Ontario fares across 17 criteria that can explain variations in the performance of renewable energy sectors.

Companies are asked what the important criteria they think about when to invest are. First, the common theme that appears is that the characteristics of the policy environment (availability of skilled labor, natural wind conditions) matters a lot. Also, ratings are high for the regulatory policy (Power Purchase Agreements rates and lengths) but in terms of regulatory governance, the rating of Ontario is very weak. This is because Ontario is seen as a jurisdiction tending to fluctuate. This contributes to the perception of high regulatory risk.

The reason is because there has been shifting capacity target policies since the inception in 2003, and a mix of policy instruments (fix rate contracts that change almost every year). At no point in time did the government make a long term commitment to set a particular long term policy. The regulatory agency, the Ontario Power Authority is strongly controlled by the Minister of Energy and Infrastructure, who has changed almost every year.

Companies say they respond strategically to this type of fluctuating policy environment by 1) lowering investment priority compared to other jurisdictions, particularly the U.S. 2) building in some of the risk in bid prices, that result in higher rate for consumers or taxpayers, 3) and lobbying more the government to secure investment.

The whole point is that what is important for the government of Ontario is not only to have an attractive policy for the sector but also to reform its regulatory institutions to lower the risk premium for investors.

### **Presentation of Sanjay Sharma**

Sanjay Sharma focuses his talk on energy prices. He brings out that there is some consensus that the rate of new discoveries of oil is much lower than depletion and that the new reserves are located in places that are less accessible and then are more expensive to extract. Another consensus is that, in the next economic boom, oil prices will peak between 200 and 250 dollars.

But the projections are that, in the long run, renewable energy, even if it is subsidized, will not be more than 20 % of global energy usage and we will be mainly on fossil fuels for the next 60-70 years. Moreover, since carbon pricing is going to be an important factor in developed countries, this will affect local transportation in the way cars are built. Power generation too, will be affected in terms of energy efficiency and a greater share of renewable energy plants. Global trade will still be dependent on fossil fuels because we still don't know how to run gigantic tankers and aircrafts on renewable energy.

Mindful of that, many companies have started the reorganization of their global supply chain. Because bulky heavyweight products will have a very high transportation cost, ancient steel plants in Allentown in Pennsylvania are being dusted off. Energy prices (and carbon prices) are going to make transport of steel outsources in developing countries uneconomical. Generally, one can predict that there will be progressively a relocation of more manufactures in North America.

This scenario is going to change our competitive equation. We are going to go high on manufacturing again. It also means becoming more energy-intensive. Given that, what sort of incentives, subsidies, and prescriptions of public policy do we need to confront thoses challenges? Another important research question is what will be the manufacture share of China which is currently a leading manufacturer.

On the other hand, firms face largely saturated markets in North America where the average growth of the economy is 2-3%, while growth rates in developing countries may be up to 10%. With the pressure for social justice, rights of the minorities, women empowerment, what is the kind of business model that creates grassroots support, protect ecosystems, to ensure that this growth is sustainable?

## **Discussions after the presentations**

Among the other points raised during the discussions following the presentations, participants' concerns are:

1. How to make other forms of climate policies or go further than carbon prices?
2. How to adapt to climate change since many businesses think that it is too late and there is not much more they can do?

Participants also emphasize:

3. the importance of the nexus between businesses and the governments in order that businesses be more involved in the discussions of public policy;
4. the necessity for academics to embrace more the public policy domain. Few research is available in that domain because of difficulties to get them published;
5. the need to have a countervailing perspective on the interest of the larger economy and pursue national goals;
6. the urgency for consumers to take common positions and to make their voices heard.

## **State of Practice in Energy and Environment**

This workshop has been moderated by **Gordon Pitts**, an author and business journalist, with a specialization in issues of the competitiveness of Canadian businesses in a turbulent global economy. The three panelists are **Ian Clifford** from ZENN Motor Company, **Romney Duffey** from Atomic Energy of Canada Limited and **Chris Mc Donnell** from the forest product company Tembec

### **Presentation of Ian Clifford**

Ian Clifford, a photographer by trade, is the CEO and founder of ZENN Motor Company. He started in 2001. The vision is to be a leader in zero emission transportation solutions and technology. The company is currently commercializing low speed neighborhood electric vehicles mainly on the European and the U.S. market. They are yet to have authorizations in most of Canadian provinces to sell their cars.

The advantage of electric vehicles is that they are zero emission and no noise. Their current weakness is affordability to consumers. Most of automakers have a prototype electric vehicle but it doesn't cost less than 40 000 dollars, as opposed to most cars costing currently less than 20 000 dollars. This is due to the high cost and other problems surrounding the battery technology for electricity storage: heaviness, toxicity, problem of disposal, very short lifespan and major failures at high temperatures.

A promising avenue for ZENN motor company comes from a company named EEstor located in Austin, Texas due to release a very disruptive storage technology for which ZENN has bought the patents. ZENN is now a shareholder as well of EEstor. This is

because ZENN management think that the EEstor technology is a unique material that have storage and energy densities not been seen so far. Moreover, it is based on barite and barium derivatives for which there are huge accessible reserves in North America. The final proof by third party verification is due very soon in 2009 or in 2010.

Ian stresses that the big challenge of this century is to harness energy storage in order to foster the development of renewable energy sources.

### **Presentation of Romney Duffey**

Romney Duffey is principal scientist at Atomic Energy of Canada Limited (AECL). He first articulates his communication on the need of non-emitting technologies (nuclear reactors, wind, other renewables) to stabilize emission concentration in the atmosphere. The question is then how we can implement sustainable nuclear and hydrogen energy systems. This is a global challenge because it is projected that 97 % of the increased in world emissions will come from non developed countries, mainly China.

But, as Romney asserts, we are not prepared economically, industrially and in terms of social acceptance to handle the 3000 to 6000 nuclear reactors needed to face those challenges. There are currently about 400 nuclear reactors in the world very few are being built.

Nuclear energy is economically more competitive than fossil fuel sources and AECL has been in the business of reactors for some time, doing business currently with countries like China or Romania. For nuclear energy, there is no shortage of anything, but eventually increasing prices of uranium, like for oil and gas.

The Canadian reactor Candu is enjoying a huge success in the market but we haven't built anyone yet here in Canada. There is a project to build one in Ontario. This is a huge market opportunity but somehow we have to implement these units here first. But there are strong oppositions to the deployment of this technology.

That is why Romney tries to destroy some wrong old nuclear objections:

1. Nuclear waste is an unsolved hazard. No, it's easy when you recycle the waste to nuclear energy.
2. Nuclear radiation is awful. False fear mongering. New designs are safer and risks are minimal.
3. Nuclear power equals nuclear bomb. It never has been in civilian nuclear. It only occurs militarily in threatened and unsecure countries or regimes.

Another proposal that is not being considered is hydrogen, omitted in the International Panel on Climate Change reports. When low carbon sources, such as nuclear reactors are the primary source for hydrogen production, this will help commercialize hydrogen-powered vehicles in the transportation sector. It has also been demonstrated that it is a good storage system for renewable resources, as demonstrated by the Canadian technology NuWind (nuclear combined with wind).

AECL vision is thus to make of Canada an “energy superpower” using design innovation and waste to energy.

### **Presentation of Chris Mc Donnell**

Chris Mc Donnell is in charge of aboriginal and environmental relations at Tembec. He first presents the company as a forestry business with 2 billion \$ sales that started in 1993, and has now 7000 employees in 33 facilities in North America and France, based in Témiscamingue, Quebec. The Company is the world leader in certifications by the Forest Stewardship Council certification, an independent certification body.

Following the 1999-2000 land disputes, protests and controversies in the forest sector in Ontario, the company has engaged in strong interactions with environmental organizations and first nations, which was unusual at that time.

The use of land for forestry business or mining business is subject to many environmental or social considerations to those who own the land, whether it is public or for aboriginal people who feel that they have priority to settlement.

Tembec managers have been involved and have learnt much from discussions with opinion leaders in a variety of organizations (local, regional, national, international). They are thus cognizant of the different cultural perspectives people have on the use of land, and seize opportunities to find common grounds. Those perspectives are different from what one might read from the headlines.

This led in 2001, in the midst of the Ontario land debate, to an agreement between Tembec and World Wildlife Fund to move beyond the set of regulatory forestry rules and add the notion of voluntary standards for forest practice in all Canadian provinces. Out of the involvement of Tembec with various stakeholders, they agree on areas of very high conservation value jointly proposed them for consideration to government to set aside, instead of going through the ten to twenty year cycle of provincial land use planning. This improved the image of the forestry industry as a positive industry and also provides a lot of certainty for the business.

The way forward in the engagement with stakeholders comprises the following steps:

1. Integrate the auditing of the voluntary and the regulated standards to avoid “audit fatigue” and thus facilitate meaningful, effective and transparent reporting;
2. take the stakeholders engagement to a new level in order to develop a national consensus on the use of land with businesses resorting on natural resources (mines, forest biomass for energy) and all other stakeholders (first nations, NGOs, government).

## **Discussions after the presentations**

The dialogue following the presentations essentially turns on two themes:

1. The nexus between the government and businesses. The representatives of the three firms shares differing experiences on the issue:
2. AECL represents the government at the international level. This is a good example of nexus but it limits the kind of investment to make so as not to expose the Canadian government. The government is acting on the uncertainty on the market place due to the lack of social acceptance of nuclear power.
3. Tembec recalls his engagement with all stakeholders
4. For ZENN Motor Company, Canada is taking a casual approach in terms of automotive innovation at every level. Canada has definitely to harmonize with the U.S. legislation.
5. On that issue, some participants think that it might take more for the scale of the investment to move the government.
6. But most participants express a strong support for the project of electric vehicles, slam the lack of support in Ottawa and the provinces while unprecedented openness is seen in the U.S. They emphasize the necessity that Ontario and Ottawa bet on the technology, which would be an example of political vision and leadership.

Third workshop: Challenges and Opportunities.

The panelists in the workshop are **David Wheeler**, Dean of Dalhousie School of Management, **Alex Wood** from the NGO Sustainable Prosperity and Rick Petersen, a communication consultant. **Tima Bansal**, panelist in the first workshop, has acted as moderator.

Presentation of **David Wheeler**

His talk can be titled: “where does the leadership, disruptive innovation come from?”. How game-changing things happen not only in business and industry but also in academia and government? Where do NGOs fit in?

Studies are pointing to the fact that there will be quite fallow periods in capital markets in the next ten years. So there is a need to reinvent the future if businesses don't want to die in this environment of extreme competition. There is also a need to usher in a very different kind of economy or industrial structure to seize the chances.

The name of the economist Schumpeter is associated with the notion of creative destruction. It is about how capitalism can constantly reinvent itself. Destroying the old one is necessary to creating the new one.

How industry and businesses have to respond in a creative way to the challenges? Strategy in business comes from 2 sources: doing the normal things and looking for unanticipated opportunities, problems and successes (emerging strategy). It is in the resource allocation process that you integrate your emerging strategy. How the investment is split is important. There should be a bet on the future. In the nutshell, stop investing in what is, start investing in what might be.

For example, GE Eco imagination place some bet on sustainable business. They make long-term investments in a diverse range of cleaner solutions and technologies. They are rewarded today since a big part of the stimulus package is going into that direction.

What is then the role of the government how does policy intervention helps ushering in a new economy? It might take a public procurement policy. For example, some of the stimulus package has been directed to green energy (U.S.). In South Korea, the government has committed to the investment of 2% of the annual GDP of the country in environment-related industries (green industrial revolution).

Accordingly, the challenge in the academia is how do we rethink what we do as teachers and researchers and play our part in creatively destroying some of the assumptions on business perception and reinforce the nexus between practice and research.

## Presentation of **Alex Wood**

Alex Wood is Senior Director Policy and Markets, Sustainable Prosperity, a policy research and development NGO dedicated to the promotion of a green economy in Canada.

Picking up where David left off, Alex offers a more provocative diagnostic. He asserts that the public sector and a large part of the private sector are not at all prepared for the transformations required for disruptive innovations. He presents five areas where the gaps are acknowledged in the government in terms of research or where there is very little work for policy makers to rely on.

- economics of climate change: while the band of uncertainty is narrowing for the consequences of man-made CO<sub>2</sub> emissions, there is a need to understand the impacts of policy response to climate change, the costs associated with but also the opportunities that might exist from the policy response to climate change (potential for in terms of renewable power and technological aspects).
- Helping promoting the understanding of the role of markets in a set of economic issues. The role of government in those areas is not well understood at all in areas like carbon markets (role of carbon financing and its potential and possibilities). For businesses, they need to understand how cost-saving investments might translate in a business model.
- Role of technology and innovation. Bureaucrats have a big fear making a technology bet like for the ZENN motor Company case. Alex suggests to build a knowledge base around the kind of strategy required for public support and the role of the government in promoting technological development and innovation as a whole. For example, there hasn't been any public debate informed by the academic community on the current energy policy that points to the costs and benefits for Canada of following that particular policy, versus the policies that would be set in provinces.
- Role of public and private investment. In the current context of large investments and stimulus packages oriented towards low carbon technologies in a green economy, there is no knowledge base to inform policy decision and how those would play in promoting private investment and the kind of economic benefit that would accrue to countries.
- Understanding how to motivate behavioral change in corporations and consumers. For example, carbon price in some way is a policy. But people make decisions on the marketplace based on lot more than the price. There is a need to understand what more other factors might play. The academic community has a big role to play on that.

## Presentation of **Rick Petersen**

Rick Petersen is head of the Corporate Responsibility practice of NATIONAL Public Relations – Canada’s largest communications consultancy, and is the host of the annual Tremblant Forum on Corporate Responsibility and Sustainability.

Rick focuses on issues of sustainability, that is, environmental and social issues and opportunities. He gives some hints on how to change behavior. This includes how we think, how we act and how we operate. He presents them in ten colorful points:

1. Get comfortable with being uncomfortable. There are many CEOs, middle management people who really don’t know how bad the situation is. Complacency is not an option.
2. Be a realistic idealist. Many companies still think that current success is the only measure. They don’t sense the urgency of change.
3. Hug an activist today. Polls and studies show more and more that NGOs, be they environmental or for health care, are more trusted than anything else. Rick recalls that Timbec realized that early on.
4. Hit the gopher. Resources are dispersed in the academy, large corporations, and government agencies. Best practices not shared. It is unbelievable how many things in corporate divisions, departments that need an integrated approach
5. Run but you can’t hide. The level of transparency required is enormous. Information travels rapidly and in real time on 24 hours news network, cell-phone cameras, social networks like Twitter. There are no secrets. Get aware so as not to be at disadvantage.
6. and if you are going to go naked, you’d better be buff. Many companies have great visions and values that are not translated into their policies. Having a strong public commitment implies setting tools to track performance.
7. Be the change you want to see. Lead by example. Be carbon-neutral, recycle, volunteer, and donate money.
8. Follow the money, follow your clients Listen to your socially responsible investors on ethical issues or aboriginal rights or listen to big investors on carbon disclosure (cf the Carbon Disclosure Project). Be aware that potential capitalists are looking for investments in green technology and more and more consumers declared themselves to be green.
9. Turn human resources into human capital into human interest. Socially responsible companies have an opportunity to motivate and engage their employees, who are at increasing levels of awareness.
10. Malthus hot...Keynes not. There is increasing evidence that environmentally, socially, economically, our business models are not sustainable? Is it possible to have prosperity to without growth, reach what economists call the steady state economy?

## Discussions after the presentations

The first other challenge pointed out in the discussions is about carbon pricing. There is no global value for carbon. The price depends on the location and on what we are doing (driving car, investing in an oil company or trading something).

Then, the question as to what kind of leadership we need to spur innovation or changes of behavior pops up again. Many participants agree that there should be a choice of what to place value on. There is a need to reward different kinds of behavior in consumer choices, to induce business leaders to behave in a certain way.

Relatively to the previous two points, another important question arises: do people believe in this country that the market is broken? There has been a consensus among participants that markets are doing fantastic in terms of broad consumers' choices and lower prices, and efficient allocation of resources. The real problem relating to the topic under consideration is that markets are not yet reflecting environmental costs. The system allows it but we abdicate because of interests at stake or because of the complexities of giving different incentives to so many different players. Now, as individuals, we have to educate ourselves to care about the environmental impact of the products we consume while the market is supposed to do it for us.

## Annexe 1.8

### Ateliers sur la gestion de la santé

Par; **Mohamed Chekli**, candidat au doctorat, HEC Montréal

#### Conférenciers :

- **Samia Chreim**, professeure agrégée, École de gestion Telfer, Université d’Ottawa
- **Lise Lamothe**, professeure agrégée, Université de Montréal
- **Léonard Aucoin**, président, Info-Veille Santé
- **Stevens Spears**, « Senior Lecturer » Massachusetts Institute of Technology, MIT, membre du HealthCare Improvement
- **David Levine**, président-directeur général de l’agence de santé et des services sociaux de Montréal
- **Denis Beaudouin**, directeur général adjoint, Centre de santé et des services sociaux de Gatineau
- **Karen Golden-Biddle**, professeure “Everett W. Lord Distinguished Faculty Scholar” School of Management, Boston University
- **Dr Fabrice Brunet**, Directeur général et secrétaire du conseil, Centre hospitalier universitaire Sainte Justine
- **Jean-Louis Denis**, professeur titulaire, Chaire de gestion et de transformation des organisations de santé, Université de Montréal

#### Modérateurs :

- **Alain Rondeau**, professeur titulaire, Centre d’étude en transformation des organisations, Service de l’enseignement du management, HEC Montréal
- **Sylvain Landry**, professeur titulaire, Service de l’enseignement des opérations et de la logistique et directeur associé Pôle santé, HEC Montréal
- **Ann Langley**, professeur titulaire, Chaire de recherche du Canada en gestion stratégique en contexte pluraliste, Service de l’enseignement du management, HEC Montréal

La modernisation du système de santé soulève des questions épineuses quant à la façon dont le changement devrait y être opéré. Le Dr. Brunet et M. Spear ont tous les deux parlé, chacun à sa façon, de la complexité croissante des soins de santé et des problèmes de gestion des processus de soins qui en découlent. Pour appuyer leurs points de vue, ils ont

respectivement déclaré que le Dr. Welby est mort et fait référence au rapport de l'*Institute Of Medicine* en ce qui concerne le lourd tribut des erreurs médicales<sup>15</sup>.

Lors des différents ateliers du thème « Gestion de la santé », quatre points importants ont préoccupé les conférenciers et suscité l'intérêt des participants, à savoir :

1. nécessité d'un leadership collectif (ou distribué) et de l'adaptation des pratiques professionnelles pour réussir l'intégration des services de santé;
2. migration d'un modèle basé sur la quantité des services de soins de santé vers un modèle basé sur la qualité des services offerts;
3. importance de l'engagement des médecins dans le processus de modernisation du système de santé et modalités de cette implication;
4. et enfin, nécessité de mettre en œuvre des systèmes d'information en santé adaptés aux impératifs d'intégration des soins de santé et d'amélioration de leur qualité.

### **Leadership collectif et adaptation des pratiques professionnelles**

Mme Chreim a insisté sur l'importance du modèle de leadership distribué dans le domaine de la santé afin d'assurer l'intégration, aussi bien interdisciplinaire qu'inter organisationnelle, des soins de santé. Car si les leviers de l'intégration et du changement peuvent être concentrés aux mains de la direction de l'entreprise dans le domaine des affaires, il en est autrement dans le domaine de la santé où les pouvoirs d'influence sont distribués parmi les différents acteurs clés : médecins, autorités sanitaires régionales et gouvernement.

La réalisation d'un leadership distribué efficace passe par une reformulation des structures et des rôles des différents acteurs concernés au fur et à mesure que le processus du changement progresse. Ceci peut être source de réflexion et de pistes de recherche intéressantes dans le domaine des politiques de gestion des ressources humaines dans les secteurs sociaux.

Mme Lamothe n'a pas manqué de mentionner, à son tour, la nécessité d'un leadership collectif et de l'adaptation des pratiques professionnelles pour la réussite des projets d'intégration des services de soins de santé. Par ailleurs, elle a souligné que l'intégration est encore plus importante dans le cas de la gestion des soins de santé aux patients atteints de maladies chroniques, dans la mesure où la co-morbidité, qui nécessite des soins plus complexes, est souvent associée à la présence de maladies chroniques. Selon Mme Lamothe, toute maladie chronique pose des problèmes d'intégration des soins de santé.

Enfin, le type de leadership pour mener des projets de transformation organisationnelle dans le secteur de la santé diffère d'un contexte organisationnel à l'autre, voire d'une organisation à l'autre. C'est ainsi que M. Beaudoin a donné un exemple d'approche « *top-down* » de l'application de la méthode « *Lean Healthcare* » au CSSS de Gatineau, alors

---

<sup>15</sup> Kohn, L.T., Corrigan, J.M. & Donaldson, M.S., Eds. (2000). *To Err is Human: Building a Safer Health System*. Washington DC: National Academies Press.

que M. Chaussé a présenté la diffusion de la même méthode selon l'approche par contamination, telle que pratiquée au CHU de Sherbrooke. En réponse à une question de l'auditoire, M. Spear a expliqué qu'aucune des deux approches n'est meilleure que l'autre, mais qu'il est plus bénéfique d'adopter une approche mixte (top-down & bottom-up) : la composante « bottom-up » permet de définir les problèmes rencontrés sur le terrain et de suggérer des solutions adaptées à ces problèmes, tandis que la composante « top-down » supporte les différentes initiatives de changement émanant de la base et s'assure de leur cohésion d'ensemble.

### **Modèle de rémunération à l'acte vs modèle de rémunération mixte**

Dans son intervention, Mme Chreim a commencé par expliquer que l'initiative d'intégration des services de soins de santé du cas étudié en Alberta émanait de l'insatisfaction des médecins impliqués envers le modèle des soins de santé basé sur le volume - *patient-in/patient-out* - et leur prise de conscience de la nécessité de changement du modèle « *fee for service* » pour le modèle « *fee for capita* », afin d'assurer des services de santé de meilleure qualité aux patients.

M. Aucoin a décrit les facteurs-clés favorables à l'intégration des soins de santé dans des organisations de services intégrés tels que le système de santé publique en Grande-Bretagne – *National Health Service (NHS)* – et quelques organisations aux États-Unis, dont *Kaiser Permanente* avec plus de 8,5 millions de membres couverts et le système de soins de santé des vétérans – *Veterans Health Administration (VHA)* – qui traite plus de 5,5 millions de patients par an. Le premier facteur-clé qu'il a évoqué est la responsabilité des médecins et leur imputabilité collectives qui sont appuyées par un mode de rémunération mixte favorisant la valeur des soins offerts en matière de qualité et d'optimisation des coûts et non leur volume (nombre d'actes). Cette approche de rémunération mixte écarte la rémunération à l'acte et se base sur des combinaisons des modes de rémunération suivants : salariat, capitation, paiement à la performance et forfait par épisode de soins.

Un des participants a d'ailleurs adressé la question suivante à M. Aucoin : « quelles sont les chances pour que le système de rémunération des médecins par la RAMQ change rapidement au Québec? ». Aucun des trois conférenciers de ce premier atelier n'avait de réponse satisfaisante à fournir à ce sujet.

La période des questions du dernier atelier a soulevé une controverse concernant le rôle joué par le mode de rémunération des médecins dans la progression du changement dans le secteur de la santé. Alors que le Dr. Brunet affirmait que le mode de rémunération ne joue aucun rôle dans l'équation de la prédisposition des médecins au changement, M. Denis contredisait ce point de vue en insistant sur la nécessité du remplacement du modèle de rémunération actuel basé sur l'acte par un modèle de rémunération mixte si l'on veut voir des changements significatifs s'opérer dans le système de santé québécois.

## **Engagement des médecins dans la modernisation du système de santé**

Parmi les facteurs-clés favorables à l'intégration des soins de santé décrits par M. Aucoin, on retrouve la nécessité de formation des médecins à un leadership actif et leur implication dans la définition du « *core business* » à travers lequel les activités cliniques se mettent au service des individus et des populations.

En décrivant la situation qui existe au Québec, M. Aucoin a reconnu que des efforts ont été entrepris pour intégrer les structures (CSSS, GMF, Cliniques réseau, etc.), mais il a dépeint un tableau noir en listant les barrières structurelles en lien avec la profession médicale qui se dressent devant le processus de transformation des soins de santé : pratique médicale essentiellement à l'acte, médecins pratiquant en solo ou en petits groupes en silos spécialisés, syndicalisation médicale avec relation conflictuelle, manque de responsabilité collective des médecins en ce qui a trait à la qualité et aux coûts, clivage entre omnipraticiens et spécialistes, tensions entre les médecins et les gestionnaires d'établissements et enfin, peu de valorisation du leadership médical non syndical.

Pour pallier cette situation, M. Aucoin a suggéré quelques pistes de solutions :

- 1- création d'un forum québécois d'échange sur l'intégration des services de santé réunissant les parties prenantes clés, les médecins en premier, et instituer un lobby à cet effet;
- 2- demander au MSSS de tenir compte des facteurs-clés de succès de l'intégration dans la négociation avec les fédérations médicales et dans la révision de l'approche budgétaire;
- 3- initier et soutenir un projet pilote ou de démonstration d'intégration d'un CSSS avec processus d'évaluation du projet;
- 4- inviter les facultés de médecine et autres facultés des sciences de la santé à mieux préparer les futurs professionnels de la santé à évoluer dans des organisations de services intégrés;
- 5- inviter les facultés d'administration de la santé à mieux préparer les futurs gestionnaires au travail de collaboration avec les leaders cliniques.

## **Systèmes d'information et de télécommunication de la santé adaptés pour un système de santé moderne**

Mme Lamothe a conclu sa présentation en recommandant l'adaptation des systèmes de monitoring aux besoins de transformation du système de santé. Il faut donc repenser les systèmes d'information pour les adapter aux processus et à l'intégration des flux de production de soins.

Par ailleurs, M. Aucoin a insisté sur les facteurs-clés de réussite d'intégration que sont le partage de l'information clinique nécessaire au travail en équipe et à l'approche collaborative des soins de santé, la recherche d'innovations organisationnelles et d'outils facilitant le travail des cliniciens et la mise en œuvre de systèmes d'information et de télécommunication pour répondre à ces impératifs. La réussite des projets d'informatisation clinique est tributaire du leadership médical, les leaders de ces projets

devant être des médecins respectés de leurs confrères. Il faut aussi souligner l'importance de la communication avec les patients à domicile via l'Internet et les technologies de la télémédecine. Dans ce sens, nous lui avons adressé une question en rapport avec le rôle potentiel des systèmes émergents d'information en santé que sont les dossiers santé personnels - *Personal Health Records* -, tel que Google Health et Microsoft HealthVault, dans la transformation des soins de santé aux patients atteints de maladies chroniques, et ce, dans un contexte de système de santé public tel que le nôtre, au Canada. M. Aucoin a avoué ne pas bien connaître ces nouveaux systèmes d'information en santé et aucun des autres conférenciers du premier atelier ne semblait les connaître assez pour pouvoir fournir une réponse justifiée et convaincante. Enfin, M. Aucoin a déploré le retard qu'accuse le Québec dans la mise en œuvre du levier essentiel à l'intégration que sont les systèmes d'information en santé.

## **Annexe 1.9**

### **Ateliers sur la responsabilité sociale des entreprises**

Présenté par Kadia Georges AKA, Doctorant, UQTR

Conférenciers :

- John Peloza, professeur adjoint, Faculty of Business, Simon Fraser University
- Johanne Gélinas, groupe environnement, santé, sécurité et développement durable, Services des risques d'entreprise, Deloitte&Touche
- **Jim McArdle**, vice-président sénior, Services juridiques et secrétaire, Exportation et Développement Canada
- **Yolanda Banks**, conseillère principale, Responsabilité sociale des entreprises, Exportation et Développement Canada
- **Jeremy Hall**, professeur agrégé, Faculty of business administration, Simon Fraser University
- **Davis Saunders**, doyen, Queen's School of Business, Queen's University

### **Modérateur:**

- **Daniel Shapiro**, doyen et Lohn Foundation professor, Faculty of Business, Simon Fraser University

### **Introduction**

Le rapport vise à faire un état des connaissances développées par plusieurs conférenciers sur le thème de la responsabilité sociale des entreprises (RSE). Il s'agit spécifiquement de :

1. rapporter les principales idées des intervenants,
2. relever les nouvelles idées qu'ils apportent par rapport à leur problématique.

Ce rapport ne vise pas à apporter des critiques ou des commentaires sur le contenu des thèmes.

Cinq thèmes ont été abordés par les conférenciers :

1. État des connaissances en responsabilité sociale des entreprises
2. Substitution via sustainable development innovation : an evolutionary perspective
3. Une perspective d'affaires en responsabilité sociale des entreprises
4. Le Pacte mondial de l'Organisation internationale des Nations Unies et les Principes pour l'éducation responsable en management
5. Expérimentation de la responsabilité sociale dans un programme de management

Dans les pages qui suivent, nous présentons le plus fidèlement possible les principales idées des conférenciers. Nous identifions les nouvelles idées qu'ils apportent.

Présentation du contenu des interventions

### **État des connaissances en responsabilité sociale des entreprises (RSE) :**

Par **John Peloza**

Principales idées

Le conférencier affirme qu'il existe bien un lien entre la responsabilité sociale et la performance des entreprises. Les dirigeants d'entreprises espèrent que leur engagement dans la responsabilité sociale leur apportera de la valeur dans les prochaines cinq années. La mesure de la RSE dans la performance des organisations se trouve au cœur des préoccupations des dirigeants et de leurs parties prenantes. Il est important de connaître ce qui dans la RSE apporte de la valeur aux organisations. Généralement, la RSE est mesurée à travers les initiatives environnementales et sociales. Ces mesures restent quantitatives et ne représentent pas toute la valeur de la RSE. Pour mesurer la valeur apportée par la RSE dans la performance des organisations, il faut l'apprécier du point de vue des consommateurs et des dirigeants. Le marketing peut jouer un rôle important. Il offre trois concepts qui permettent de comprendre la valeur de la RSE pour les consommateurs et les dirigeants. Ce sont les valeurs émotionnelles, sociales et fonctionnelles. Il y aurait un déficit dans l'état des connaissances sur les valeurs émotionnelles et sociales de la RSE. Très peu de recherches se sont en général intéressées à ces deux approches bien qu'il existe quelques études de cas d'entreprises. Les chercheurs doivent inscrire à leur agenda des sujets liés à la RSE, notamment :

1. la RSE comme nouvelles opportunités de marchés pour les organisations,
2. l'impact des valeurs émotionnelles et sociales sur les valeurs fonctionnelles,
3. les impacts environnementaux et sociaux par rapport aux formes d'organisations.

Nouveaux apports

Le conférencier présente de nouvelles approches pour mesurer la RSE dans la performance des entreprises. Premièrement, il propose d'étudier la valeur apportée par la RSE du point de vue des consommateurs. Il semble que ces derniers n'achètent pas les produits « durables » pour leur valeur fonctionnelle, mais plutôt pour leurs valeurs émotionnelles et sociales. Dès lors et deuxièmement, il suggère que les recherches se focalisent sur les valeurs émotionnelles et sociales. Troisièmement, les recherches doivent aussi s'intéresser à ces mêmes valeurs par rapport aux dirigeants d'entreprises. Finalement, les chercheurs doivent élargir et approfondir leurs travaux pour mieux approfondir les connaissances sur la RSE et son lien avec la performance des organisations.

## **Substitution via sustainable development innovation: an evolutionary perspective**

Par **Jeremy Hall**

### **Principales idées**

Le conférencier fait une brève intervention dans laquelle il présente l'expérience du Brésil en matière de développement d'innovations « durables ». Cette expérience repose sur la production de carburant par l'utilisation de canne à sucre : le biocarburant. Le conférencier met l'accent plus sur le processus de mise en œuvre de cette innovation que sur l'innovation elle-même. L'utilisation de biocarburants en remplacement du carburant traditionnel répond aux objectifs du gouvernement brésilien a) de réduire sa dépendance au carburant traditionnel, b) d'acquérir un avantage compétitif dans le secteur des énergies tout c) en réduisant la pauvreté. Ainsi, un vaste programme national permet aux populations les plus pauvres de cultiver la canne à sucre. Cette dernière sert de matière première dans la production de biocarburants par des entreprises nationales. La collaboration entre agriculteurs et producteurs brésiliens est l'épine dorsale de ce programme. Le vaste marché brésilien offre aux constructeurs mondiaux d'automobiles l'opportunité de vendre leurs produits. Ces derniers ont dû adapter leurs voitures à l'utilisation de ces biocarburants. Cependant, des problèmes entre agriculteurs et producteurs existent. Le faible niveau d'éducation des agriculteurs pour comprendre leurs obligations et devoirs contractuels et le manque de confiance sont entre autres quelques problèmes constatés.

### **Nouveaux apports**

Les travaux de Hall présentent une expérience réussie (sur le plan économique) de substitution des énergies fossiles par des énergies « renouvelables ». Ceci a été rendu possible par une intervention gouvernementale. Cependant, le développement d'innovations dites durables engendre parfois des problèmes sur le plan social. Il est impératif de trouver des solutions qui répondent à la fois aux impératifs économiques et aux exigences environnementales et sociales. L'entrepreneuriat associé à l'innovation semble être une solution d'équilibre. Des recherches peuvent se focaliser sur l'apport de l'entrepreneuriat et surtout de l'innovation au développement économiquement durable et socialement responsable. Le Canada peut s'inspirer des problèmes du Brésil et des solutions qu'on leur a apportées.

## **Une perspective d'affaires en responsabilité sociale des entreprises**

Par **Jim McArdle** et **Yolanda Banks**

### **Principales idées**

Export Development Canada s'est engagé à accomplir son mandat de façon socialement responsable en rapport avec ses valeurs. L'organisation intègre dans ses décisions et dans les entreprises qu'elle soutient des pratiques de responsabilité sociale. C'est un moyen pour elle d'exporter les valeurs canadiennes à travers la responsabilité sociale. Principalement, EDC s'intéresse aux problèmes de corruption, de droits de l'homme, d'environnement, de transparence et de réputation des entreprises canadiennes à l'étranger. Son intervention auprès de ces dernières consiste à former les dirigeants sur ces problématiques. EDC agit

en conformité avec les objectifs des entreprises. Elle tire ses ressources à travers des programmes de dons des employés, des partenariats avec des organisations à but non lucratif, des universités et des banques en vue d'aider les communautés des pays où s'installent les entreprises canadiennes. EDC a mis en place un processus de règlement des situations conflictuelles entre des entreprises canadiennes et les communautés locales.

### **Nouveaux apports**

EDC présente une approche d'intervention qui permet de renforcer la compétitivité des entreprises canadiennes exportatrices tout en réduisant les impacts négatifs de leurs activités sur les populations locales. Elle réussit ainsi à répondre aux impératifs économiques et aux exigences environnementales et sociales. L'organisation propose un nouvel outil de prise de décision basé sur la responsabilité sociale en quatre phases.

1. établir le détail des activités de l'entreprise canadienne,
2. identifier le problème lié à la responsabilité sociale,
3. faire une analyse des problèmes, et
4. proposer une décision.

Ce processus semble avoir eu du succès auprès de quelques cas d'entreprises canadiennes.

### **Le Pacte mondial de l'Organisation internationale des Nations Unies et les Principes pour l'éducation responsable en management**

Par **David Saunders**

#### **Principales idées**

David Saunders relève dans son intervention les critiques faites aux écoles de management en matière de responsabilité sociale. Il propose des solutions et trois programmes qui peuvent faire l'objet de recherches futures. Les principales critiques à l'encontre des écoles de management portent sur :

- la formation en management en déphasage avec les réalités de la responsabilité sociale,
- La prédominance des études portant sur les cas d'entreprises,
- Une absence d'humanité,
- Un déficit dans l'état des connaissances en matière de responsabilité sociale.

Le conférencier propose de :

- redéfinir des programmes de recherche,
- repenser le processus d'apprentissage,
- former les leaders, les agents de changement qui s'engagent dans le sens de la responsabilité sociale,
- préparer la prochaine génération d'enseignants et de dirigeants d'écoles de gestion aux problématiques de responsabilité sociale.

Concrètement, il suggère trois programmes de recherche qui pourraient porter sur le triple bilan, la responsabilité sociale des entreprises et le leadership responsable.

## **Expérimentation de la responsabilité sociale dans un programme de management Par Corinne Gendron**

### **Principales idées**

Corinne Gendron présente son expérience d'enseignante dans le domaine du développement durable et de la responsabilité sociale des entreprises. Elle propose d'éduquer les étudiants dans le domaine de la responsabilité sociale. Pour cela, il faut aller au-delà la notion d'éthique personnelle du dirigeant d'entreprise. Enseigner uniquement cette conception réductrice de la RSE à l'individu ne permet pas de former réellement les étudiants dans ce domaine. Il faut plutôt considérer le rôle de l'entreprise dans la société. En d'autres termes, il faut questionner la dimension éthique du management et des affaires elles-mêmes. La stratégie d'enseignement de Gendron porte sur :

- la présentation des théories,
- le choix et la présentation des problèmes contemporains par les étudiants,
- leurs réflexions critiques personnelles envoyées sur un site web dédié au cours.

Cette stratégie a eu des impacts sur les étudiants :

- au niveau de leur esprit critique,
- un changement dans leurs attitudes,
- une sensibilité éthique,
- une autonomie.

### **Nouveaux apports**

La conférencière apporte une expérience innovante d'enseignement dans le domaine de la responsabilité sociale. Sa méthode a porté des fruits. Elle peut être enrichie et dupliquée. Elle répond aussi à certaines préoccupations énoncées par les précédents conférenciers en matière de formation en lien avec le domaine de la responsabilité sociale des entreprises.

### **Conclusion**

Les thèmes de conférence développés par les différents intervenants ont apporté des éléments nouveaux pour répondre à la problématique de la responsabilité sociale des entreprises. Les intervenants proposent des solutions innovantes à travers leurs travaux de recherche pour certaines et leurs expériences pour d'autres. L'intégration des pratiques de responsabilité sociale dans le management des entreprises n'est pas incompatible avec les impératifs économiques et les exigences environnementales et sociales. Tous les conférenciers ont pu le confirmer dans leurs principales idées. Cependant, beaucoup d'éclairages nouveaux doivent être apportés par les chercheurs et les praticiens pour convaincre les leaders du bien-fondé de la problématique de la RSE.

## Annexe 1. 10

Ateliers sur la gouvernance

Par Gokhan Turgut, candidat au doctorat HEC Montréal

### Speakers:

- **Yvan Allaire**, professeur émérite de stratégie, UQAM, titulaire fondateur de la Chaire Bombardier en gestion des entreprises transnationales, professeur associé, HEC Montréal, président de l'Institut de Gouvernance d'organisations privées et publiques
- **Gilles Paquet**, professeur émérite, École de gestion Telfer, « Senior Research Fellow » au Centre d'études en gouvernance, Université d'Ottawa
- **Besma Momani**, « Senior Fellow » Center for International Governance and Innovation, associate professor, University of Waterloo

### Moderators:

- **Jean-Marie Toulouse**, professeur honoraire, HEC Montréal
- **Diane Bédard**, chef de la rédaction, Revue Commerce

### 1<sup>st</sup> Session: Governance and Management, Moving Towards a New Form of Capitalism

#### a) Changing trends in governance

In the past, shareholders held their shares for considerable amount of time. Yvan Allaire gave an example: in 1960, the average holding period was 7 years; in 2000 it was 7 months. The shareholders, then, were seeking regular dividends, rather than vast fluctuations. Firm financial needs were met generally by internal cash flow, not by outside-market forces. Financial markets, and therefore their players, were much protected. Currently, however, earning-per-share is the new mantra. High stock turn ratios are ruling.

Also, executive compensation is tightly aligned with shareholders' interests whoever is the shareholder. Shareholders hold their shares in short times. Ownership is restructured by the institutional investors and paves the way into so-called investorship. Also board compositions have changed. The ratio of insiders and the affiliated members is diminished; the number of independent members is increased. Executives are paid mostly by stock options. This rate is unproportionately higher than that of production workers. Yvan Allaire gave an example: in 1970, on average, the remuneration of CEOs was earning 25 times more than the remuneration of production employees; in 2000 it is 104 times

American corporate administration model becomes a role-model and spreads to all parts of the world and its economies. Publicly owned companies are managed by short-term sighted executives and are governed fastidiously by independent directors, whom are compensated by stock options. Of all mini-crises, executives are always paid handsomely.

Even the unsuccessful partnerships are praised simply for the reason of increase of the stock prices. In a sense, making profits was of secondary importance; whereas increasing the leverage becomes the main goal (how latest crisis occurred and the implicit role of governance in it).

By 2007, financial markets, not value creating companies, became the center of our economic universe. Their impact on society is so huge that today corporate governance issues are no more limited to corporations, but extending to the overall economic system.

b) Agency problem

Dramatic changes in financial, product and executive talent markets produced the governance system of today. Before, being a board member was a very demanding task, people were jumping at all sorts of memberships; today people resist being corporate directors.

The role of governance in this recent crisis is first seen as a reaction to managerial excesses and loose board governance. But it is also systematic in its nature. Some of the so-called good governance principles are faulty, such as getting rid of insider members of the board. This simply causes elimination of good and competent people who know the company very well for the sake of agency problem.

c) Elements of corporate governance

There are three forms of governance: (1) fiduciary governance, e.g. good company guidelines; (2) shareholders' rights governance, e.g. impediments to a takeover by shareholders; (3) value creating governance e.g. strategic management of firm.

Fiduciary governance includes establishing principles to the corporate board. This includes, but not limited to, separating the roles of chairman and CEO, independent members, non-affiliated members, controlled board and executive compensation and more transparency to board functioning. These are the guidelines required by laws, rules and regulations.

However, independence is not a guarantee for better governance. The challenge is to obtain a board with legitimate and credible directors, who can push for effective strategy and performance driven by the strategy process.

Legitimacy of a board is important. But it is the credibility of a board that makes the governance effective and value creating. Legitimacy may be earned by attracting desired directors by nomination committees to the board; but credibility is not that easy to acquire.

**Credibility = Competency + Integrity + Trustworthiness**

Competency includes relevant director expertise (e.g. on financial or legal matters) and experiences (e.g. holding previous industry-specific executive positions) to firm's business. Integrity and trustworthiness, however, are hard-to-measure traits and the only

possible way to obtain them is looking at the historical performances of individual directors' career.

No board is more competent than the median expertise and experience of its members. Therefore, all boards should assess the qualification of their members.

d) Generally missed point in governance

A board cannot create value to its firm simply by aligning the directors' interests to that of the firm with compensation systems. Monitoring role (fiduciary governance) of a board is important with advising and counseling functions of directors. However, the correctly-matched talent and experience of board of directors can bring value creation for the firm. This is of vital importance, but very difficult to get. My experience with the companies suggests that value creation could not be obtained for this reason.

e) What is needed to cure governance problems?

1. Change the ownership structure of companies.
2. Change the compensation structure of executives and directors.
3. Increase legitimacy and credibility of the boards.
4. Limit on the investment latitude of pension funds.
5. Make boards accountable to their actions/inactions.
6. Improve strict protection for firm takeovers.

#### Concluding Idea:

1. Firms must be competitive; they need to survive in difficult markets and at tough times. Short-term sightedness brings no good to the firm's future. Firms need to create value. This is possible with correct boards.
2. Loyalty (to shareholders and to public) and trustworthiness are of crucial importance.
3. Executive compensation is not a solution by itself.
4. Executive compensation must be re-assessed and must be aligned to company needs.
5. Boards should have fiduciary responsibilities. This also includes moral responsibilities to shareholders.

#### **2<sup>nd</sup> Session (a): Governance and Governments - Public Governance**

a) Complementariness of public governance to corporate governance

Theme of the speech is public governance. It is different from corporate governance, but complementary of it. Public management is governance by itself. It includes both private and public governance.

b) Definition of governance

Effective coordination when power, resources and information are widely distributed in multiple hands. Governance is a complex phenomenon. It is accumulation of small changes all done on the way. Public administration researchers study governance as a transcendent body .

c) What is our understanding of governance?

Governance is looking at things differently. It is, as if nobody is in charge. The idea is that there is no leader to rule, but layers of control exist e.g. a parliamentary ruling, rather than a king in crown.

Governance creates shared values. Belief in common goals establishes a security blanket on public.

There are things that make governance as subversive –the idea that government knows better [and therefore acts for the sake of public benefit]. But, this is an ideological challenge. What if government is only permitting you to know the possible?

There are more and more commentators arguing that we need more transparency and that transparency is the path to the solution to our governance problems. However, this is a faulty statement. Transparency, itself, cannot solve anything. It helps other governance tools to function better, but cannot be a remedy alone. Imagine that a corporate board is receiving all the information regarding the operations of the firm and dynamics of the market. It is a hypothetical but a perfect situation. This imaginary board is transparent, but at the same time, it is bogged down with details. Supposedly receiving less information would make the board more efficient. Therefore, transparency cannot cure governance problems on its own.

d) Differences in understanding the concept of governing

The government and the public seem to have different understanding of the following concepts:

- rationality: whereas government thinks about issues from a political angle, the public thinks about being rational in external environment or in actions regarding issues such as ecological environment.
- accountability: whereas government thinks about financial accountability, public thinks being accountable for the results of government actions.
- leadership: whereas government thinks about political leadership, the public thinks about stewardship to society.

e) Important points in governing

The following is a misunderstanding: Government is not equal to governing. Government is the organization that governs. It is based on the notion of subsidiarity [a principle in social organization, where functions which subordinate or local organizations perform effectively belong more properly to them than to a dominant central organization]. Therefore, government is not governing. It is an accumulation of governing bodies.

Organization design is, probably, the most important thing in governance. It highlights the coordination problems and failures. Government design should be articulated accordingly.

Concluding Idea:

- Governance is of vital importance to public.
- Governance is not equal to government.
- We, as public, need to increase our individual influence in governance matters.
- We need to focus on how the government works and look differently on its functioning.

Different ways of thinking, focalizing and intervening is required.

> **2<sup>nd</sup> Session (b): Governance and Governments – Reforming IMF Governance**

IMF is ineffective to help fiscally problematic countries and requires a bottom-up reform to fulfill its establishment goals.

IMF is in a legitimacy crisis. Countries hesitate to cooperate with IMF, and in the end, they don't choose it.

a) What is the role of the IMF?

The IMF (International Monetary Fund) is the international organization that oversees the global financial system. Like the World Bank, it acts as world's central bank. Its main function is being the lender of last resort.

b) Major complaints

1. Does not take care of the interests of poor and less powerful and influential countries, but acts as a rich club.
2. Poor previous performance on advising e.g. Argentina had a severe financial crisis , during a period when the control of the IMF was active.
3. Reactionary / predictive failures e.g. Asian financial crisis. Many Asian countries vow to accepting help from the IMF.

c) Minor complaints

1. Not having an open management selection process
2. Creating one country's gain / the other's loss situations

3. Not democratic – always in members' gains.

United States has a veto power in IMF decisions. This comes from its financial resources commitment, therefore contributors' resources is a source of problem.

Also, the IMF is overly dominated by European countries on executive board. This gives a sense of 'white men's club' atmosphere among other member countries. For long ago, other members insisted to change the executive structure of IMF. Reconfiguration, however, should not affect the differencing IMF advice. What is important is the quality of the seats, not the quantity of them. However, membership is a matter of influence at the board. Linkages to other members and external political power and economic weight are decisive here.

IMF staff is largely ignored and excluded in the process. It is always the executive committee that matters. However, whereas executive members are mostly politicians in their countries, they have limited technical knowledge and expertise and their presence is mostly symbolic.

Another problem with the IMF is that it offers technocratic, myopic and impractical advice.

d) Problems with IMF, in terms of staff

1. Hierarchy problem. Few opportunities for staff to be promoted to higher levels in the IMF structure.
2. Rewarding problem. Few incentives for staff to reinforce good performance.
3. Litigation problem. Little legal protection for staff's technical errors.
4. Under-rewarding good technical skills. Loss of human resources opportunities to private firms.
5. Under-rewarding communication skills.

e) Problems with the IMF, in terms of organization

1. Technocratic problems: the IMF is long blamed for offering standardized text book analysis, rather than customized reports. These analyses are not practical and are largely ignored by the advisee countries.
2. Bureaucratic problems: the IMF is also criticized for providing carbon-copy advice. Whereas, each country has different financial structure and different political and social agenda, one-fits-all type of solutions is recipes for disasters. Also, the IMF's habit of providing its advice in an excessive documentation form irks the advisee countries and contributes to the impasse of their situation.
3. Organizational problems: the IMF is structured in an inflexible manner. Although it has massive resources, it cannot generate stimulus from it. It is myopic to new ideas. The IMF is functioning as an old institution still bearing old traditions to function. Newly occurred problems are not effectively covered. Another challenge the IMF facing is that it has massively standardized its documents and reports.

Because of this, the IMF has not the agility to face situations, rules were not written having in mind flexibility in difficult situations. As a gigantic institution, the IMF has many talented individuals to provide technical reports. However, due to the either not established practices or poorly managed human resources, the IMF is wasting its valuable resources by not using them effectively.

f) Recommendations

1. A bottom-up restructuring is required.
2. A need for staff with policy-making experience and political economics training.
3. Needs less new graduates, but more mid-career staff.
4. Re-designing the executive bodies. The top is almost irrelevant to what the IMF is doing. They are politicians in their home turfs and their emphasis is always on politics relevant to their own country.

Concluding Idea:

The IMF is an influential international organization that is too important to be ignored. Its establishment goal is to assist countries in financially dire circumstances, but it turns out that it is staging for policy imposition of powerful countries to poor ones. There are also structural problems, problems needing to be urgently looked at.

## **Annexe 1.11**

### **Ateliers sur l'éthique**

Par Sébastien Bouthillier, candidat au doctorat, HEC Montréal

#### **Conférenciers :**

- **Wesley Cragg**, professeur émérite et enquêteur principal, Canadian Business Ethics Research Network, CBERN, Schulich School of Business, York University
- **Michel Dion**, professeur titulaire, Chaire en intégrité financière. Faculté d'administration, Université de Sherbrooke
- **Tracy-Ann Lugg**, vice-présidente régionale Québec. Adecco Canada Inc
- **Hubert Bolduc**, vice-président, Communications et affaires publiques, Cascades Inc
- **Thierry Pauchant**, professeur titulaire, Chaire de management éthique, Service de l'enseignement du management, HEC Montréal

#### **Modérateur :**

- **Sheila Brown**, directrice générale, Center for Ethics in Public Affairs

### **Écoles et recherches en management : pétition de principes**

Un forum d'envergure nationale sur le management pour promouvoir l'avantage compétitif du pays consacre un atelier à l'éthique. Cela signifie que l'éthique se place au service de la compétitivité et qu'elle représente un outil pour déceler un avantage concurrentiel, n'est-ce pas? Probablement pas, mais si c'était plutôt le management et la stratégie d'entreprise qui devenaient les serviteurs de l'éthique, le Forum aurait fait un scandale retentissant, bousculant l'idée que se font de l'éthique les professeurs qui pensent le management.

Penser le management n'implique pas nécessairement la pratique du management. Les professeurs spécialistes dans ce domaine s'adonnent à la vie de châtelain. Les écoles de gestion sont leurs temples de prédilection. Au cours du vingtième siècle, ils ont érigé ces écoles, puis ils les ont élevées au rang d'universités. Le management a progressivement changé de statut, il est passé de simple pratique à pratique réfléchie et étudiée. Enfin, les études et la réflexion sur le management ont confirmé les professeurs à titre de chercheurs de haut calibre, auteurs de théories calées en management.

La transformation de l'école de gestion en institution universitaire rend possible, en même temps, que le management soit discipliné. Cette discipline, à prétention scientifique, sert l'institution et, en retour, l'université garantit, promet du moins, que le discours qui en ressort et s'en réclame est vrai comme science. Il en découle un clivage entre le monde réel où se pratique le management, et où l'existence se vit en général, et le monde objectif tel qu'il est scientifiquement vu par les yeux d'un expert en la matière.

Chacun parle son langage propre. Or, si les uns et les autres ne parlent que leur langage, ils n'apprendront pas beaucoup et ne pourront pas dialoguer. Spécialistes de recherches en management et gestionnaires d'entreprises sont rarement interlocuteurs au même dialogue. En dépit de cela, les premiers prétendent s'adresser aux seconds, en plus de parler d'eux dans leurs théories. Il est possible néanmoins de favoriser les échanges et les rapprochements entre l'institution universitaire qui prend la gestion pour vocation et le gestionnaire qui prend le monde des affaires et son entreprise pour la réalité, pas pour des conceptions abstraites de l'esprit scientifique.

Il est possible d'imaginer une recherche de même valeur que la recherche scientifique ou dont le gestionnaire voudrait se prévaloir à cause de son applicabilité prometteuse. L'innovation en recherche, son financement et la diffusion de ses résultats pourraient donc prochainement relever de plusieurs critères qui ne soient pas exclusivement centrés sur les méthodes quantitatives et des approches objectives propres à la recherche de la vérité. Les méthodes qualitatives et les approches subjectives, qui concernent la recherche du sens et de l'interprétation à y prodiguer, existent.

### **Une question existentielle**

L'éthique s'intéresse au sens et à l'interprétation. L'administration comme le management ne sont-ils pas susceptibles d'avoir un sens tant pour les professeurs qui l'enseignent et l'épousent comme sujet de recherche que pour les hommes et les femmes qui le pratiquent dans le monde des affaires? Voilà ce qu'on appelle en philosophie morale une question existentielle.

Dans cet ordre d'idées, il serait malvenu de demander si l'éthique rapporte ou encore si elle a un effet causal ou corrélatif avec le bilan de l'entreprise. Elle n'est pas comptable, l'éthique, et elle semblera difficile à cerner pour qui souhaite la saisir à l'aide de chiffres, en quête de vérité.

L'atelier sur l'éthique se découpe en deux segments. Le premier survole l'état des connaissances et des applications pratiques de l'éthique au monde des affaires, au manager de l'entreprise. À cet égard, il faut se méfier du leadership éthique comme d'une mode éphémère et cesser de méconnaître le management en croyant qu'il est strictement empirique. Le segment suivant relate des exemples d'application de l'éthique par deux entreprises : Adecco et Cascades. Ainsi, travailler heureux permet de vivre mieux et la responsabilité sociale de l'entreprise permet de démontrer que l'éthique engage et mobilise tout le personnel.

### **Le management s'ignore**

Penser le management à tort, c'est penser qu'il est tout est empirique et qu'il peut être démontré par des méthodes positives. Pourtant, le management prend ses racines dans l'invisible. L'invisible peut néanmoins être démontré, mais pas par des méthodes positives. Qu'est-ce que le management ignore sur son propre compte? Y a-t-il une face cachée du management?

En fait, le management possède des présupposés normatifs. Ses praticiens comme ses savants l'ignorent parfois ou ne cherchent pas à les connaître la plupart des autres fois.

Mais les présupposés normatifs subsistent en tout temps. Cependant, à plus forte raison à cause de leur statut académique, les universitaires devraient s'enquérir des suppositions fondamentales des praticiens et de ce qu'ils pratiquent, objets de leurs études. Aussi, ils auraient intérêt à déclarer les leurs en préambule de leurs cours et des théories qu'ils avancent.

C'est dire qu'il y a de la place pour la philosophie morale dans les écoles de gestion. Si faire du management c'est décider et agir, l'éthique s'applique à guider la prise de décision et à guider l'action.

Jusqu'à ce jour, l'école de gestion n'a pas été sensible, ou sensibilisée, à l'implication critique de l'éthique dans le management. Il est vrai que si la seule intention valable en management est de faire plus de profits et d'écraser la concurrence puis d'affirmer que tous les moyens sont bons pour y parvenir, le sort et la place de l'éthique seraient scellés tôt.

Qui se doute que les théories de jeux, du contrat social, des parties prenantes et de la gouvernance émanent de la réflexion de philosophes moraux? Mais on en expurge l'aspect éthique quand on les enseigne dans les écoles de gestion.

La mission d'une université de services spécialisés en gestion doit être mise en cause. La visée de l'éthique est de servir l'intérêt public, tandis que la mission des écoles de gestion est plutôt de servir les intérêts de la classe d'affaires, selon Wesley Cragg. La généralisation n'est pas une sortie de secours ici : ce qui est bon pour l'entreprise n'est pas automatiquement bon pour la société.

Ce professeur émérite de l'Université York croit que le chemin long entre les affaires et l'éthique est à emprunter plutôt que le raccourci, comme c'est le cas actuellement quand l'éthique est perçue comme une émanation des affaires juridiques et se résume à la déontologie. Oui, sur le chemin le plus long, l'éthique peut commander de laisser filer des contrats lucratifs. Pendant que sur le chemin qui ressemble à un raccourci, les gestionnaires et plusieurs experts croient que l'éthique est au service de la stratégie d'affaires et viserait à maximiser les profits.

En guise d'exemples de chemins qui court-circuitent l'éthique en prétendant s'en approcher, soutient Cragg, le souci d'aligner les intérêts des employés, des actionnaires et des dirigeants. Dans le cas de la crise financière, on n'évoque ainsi l'éthique qu'à titre préventif pour que le management évite la prochaine crise.

L'éthique est beaucoup plus englobante que la déontologie et la prévention, elle concerne l'intérêt public. Questionnons-nous sur la conception de l'intérêt public des professeurs de management qui investiguent du côté de l'éthique des affaires, épousent-ils une approche assimilable à celle des sciences sociales, se demande Cragg?

Les écoles de gestion ont des responsabilités dans l'enseignement qu'elles offrent.

## **Le leadership éthique est une illusion**

L'éthique se conjugue à trois niveaux conceptuels en même temps. Ainsi, elle s'adresse à soi en tant qu'individu, à l'organisation et à la société globalement, la communauté de tous les individus. À l'échelle de soi, ce n'est pas parce que les droits et libertés individuels sont respectés qu'il y a éthique. À l'échelle de l'organisation, ce n'est pas parce que la loi est respectée qu'il y a éthique. À l'échelle de la société, ce n'est pas parce que l'humanisme est prôné qu'il y a éthique.

Ces trois veines culminent pourtant dans un courant de direction, le style de leadership éthique. Il est illusoire. Michel Dion révèle les trois illusions qui bercent le leadership éthique.

Affirmer que la démocratie c'est l'éthique et qu'en revanche toute autre forme d'exercice du pouvoir et de l'autorité est contre l'éthique est une illusion. Il s'agit de l'illusion ethnocentrique. Des philosophies orientales cherchent l'harmonie à dessein et les subordonnés ne s'attendent pas à être consultés. La recherche de la démocratie organisationnelle comme critère de l'éthique dénote un biais culturel occidental.

Il en va de même, en corollaire, pour le style de leadership dit transformationnel. Comme si gérer le changement, ce que suppose ce style de leadership, était plus éthique ou rendait les conséquences du changement acceptables parce qu'il est mené par un leader charismatique, inspirant et motivateur, qui lance des défis intellectuels, responsabilise ses employés et tient compte de chacun personnellement...

Affirmer que les valeurs font l'éthique est une illusion axiologique. Tout dépend de la légitimité des valeurs. Demandons-nous, à l'instar du professeur Dion, si les valeurs sont imposées ou partagées. Les valeurs ont-elles un sens commun pour tous ceux à qui elles s'adressent, un contenu à portée universelle pour ses destinataires? Les valeurs sont-elles mises en œuvre au quotidien ou les actions les transgressent-elles?

Affirmer que l'humanisme est éthique et que les autres écoles de pensée ne le sont pas représente l'illusion philosophique. Aucune école ne représente la somme de toute la sagesse du monde à elle seule à l'exclusion des autres : égoïsme (Hobbes), utilitarisme (Mill), déontologie et éthique du devoir (Kant), responsabilité (Rawls), vertu (Aristote), ... La pratique requiert des références à plus d'une école de pensée pour agir bien. Se fier à une seule école, cela accule au dogmatisme.

Le leadership en tant que style de direction peut être ou ne pas être éthique. Mais tenter de décrire ou de prescrire *le* style de leadership éthique est une veine illusion des écoles de gestion. Car le style de direction du personnel, comme les écoles de pensée philosophiques, sont diverses, elles sont influencées par des normes culturelles. Les styles ne sont jamais purs en réalité, il faut les prendre dans un continuum. Le leadership éthique n'a pas le monopole de l'éthique.

## **L'éthique au jour le jour**

À Tracy-Ann Lugg incombe la responsabilité d'un cabinet-conseil qui compte 125 succursales au Québec, spécialisé en recrutement de personnel et ressources humaines, Adecco. Elle a implanté avec ses collègues des cercles de dialogue dans chacun des bureaux québécois de la firme dont elle assume la vice-présidence.

Un cercle de dialogue, c'est différent d'une réunion de service, d'une rencontre du conseil d'administration ou des interactions qu'a un directeur auprès de ses employés. Implantés à la suite de la collaboration d'Adecco-Québec avec la Chaire de management éthique, les cercles de dialogue favorisent des échanges de points de vue entre tous les individus qui sont à l'œuvre dans l'entreprise et chacune de ses succursales.

Les interlocuteurs au dialogue sont invités à y prendre part du simple fait qu'ils travaillent pour Adecco. Il n'y a pas d'ordre du jour formel, pas de clivage patrons employés ou par départements. Les cercles favorisent les échanges d'idées sur le travail, sur l'entreprise et sur les expériences vécues au travail. De plus, ce type d'échange plutôt informel s'avère être un excellent incubateur d'idées, un espace symbolique et une occasion pour actualiser la mémoire organisationnelle.

Pour Tracy-Ann Lugg, les cercles de dialogue concrétisent les valeurs proposées par l'entreprise. Une entreprise n'a pas de valeurs tant que les individus qui sont à pied d'œuvre en ses murs et qui la représentent quand ils visitent des clients ne les partagent pas comme les leurs. Le leadership peut s'exprimer par les valeurs, pourvu qu'elles soient adoptées par les employés au lieu d'être consignées dans les cartables qui contiennent la stratégie de l'entreprise.

Chez Adecco, ces valeurs placent l'intégrité de l'humain au cœur de l'action. La philosophie de gestion qui les supporte repose sur le travail d'équipe, l'interdépendance des individus, leur responsabilisation et l'autonomie. Il vaut la peine de rappeler qu'Adecco est une firme spécialisée en gestion des ressources humaines, elle doit concrétiser les principes théoriques de gestion des ressources humaines.

Les cercles de dialogue suscitent le mimétisme, ils ont un effet d'entraînement. Les employés s'identifient aux expériences vécues qui sont rapportées dans les dialogues. Aussi, l'influence par l'exemple n'est pas à négliger.

La vice-présidente déclare qu'en matière éthique, rien n'est définitivement tout noir ou tout blanc. Selon elle, l'éthique est une quête au quotidien qui se poursuit sans cesse. Adecco n'est pas la compagnie parfaite, s'exclame-t-elle! La quête peut être incessante, mais ce dont elle et ses employés sont certains pourtant, c'est que le credo d'Adecco se vit, se concrétise quotidiennement : « travailler heureux, vivre mieux ».

Adecco est un acteur influent et les employés qui proposent d'engager la compagnie dans des projets dans le domaine des ressources humaines dépassent leurs tâches usuelles sont appuyés. Par exemple, un programme pour insérer dans la vie active les athlètes olympiques et de haut niveau qui cessent la compétition existe. Encore, des ateliers sur l'estime de soi pour les candidats refusés à des emplois ont été envisagés.

Les cercles de dialogue ouvrent la voie à une gestion participative. Le travail a du sens pour les employés. Et le taux de rétention de personnel tend à augmenter. Tracy-Ann Lugg constate que son questionnement sur l'éthique, qui a débuté lorsque les scandales financiers ont éclaté, dépasse les soupçons et la surveillance des comportements licites, ou illicites, des financiers.

### **La responsabilité sociale de l'entreprise**

Hubert Bolduc est un des vice-présidents de Cascades. Cette entreprise récupère tout ce qui a encore de la valeur. Ne nous étonnons pas que cette industrie de papiers et cartons ne coupe pas d'arbres. Car tous ses produits sont faits de matières recyclées. Une compagnie de papiers qui respecte l'environnement n'exploite pas de forêts selon M. Bolduc. Cascades produit beaucoup moins de gaz à effet de serre, utilise moins d'eau et une de ses usines est alimentée en énergie par le méthane qui émane du dépotoir voisin, plutôt que par l'électricité.

L'éthique, chez Cascades, signifie un triple respect : des individus, des communautés et de l'environnement.

Des exemples sont plus spectaculaires que d'autres, ils illustrent tous que la philosophie de gestion de l'entreprise a des racines en éthique. La politique de la porte ouverte est plus qu'une devise inconséquente. Ainsi, lorsque le président visitait une de ses usines en sol français et que le bureau du directeur était clos par une porte, il demanda un tournevis pour enlever la porte.

Une autre manière de transposer dans les faits le respect des individus, c'est le partage des profits avec les employés. Tout employé peut recevoir jusqu'à l'équivalent de 100 % de son salaire annuel par le partage des profits, en sus de son salaire, bien sûr. Le salaire ne vaudrait cependant pas tout son pesant d'or si la santé et la sécurité de l'employé qui le gagne n'étaient pas assurées dans les usines de Cascades. Évidemment, santé et sécurité sont des critères primordiaux préalables au travail pour cette compagnie.

Cascades est impliquée auprès des communautés où elle est implantée. Un partenariat avec l'Université de Sherbrooke a été mis sur pieds. Il s'agit plus que d'une commandite annuelle, il est question d'éthique aux yeux d'Hubert Bolduc. Cela requiert que la compagnie connaisse les gens auprès de qui elle évolue, auprès de qui elle installe ses usines. Cascades accueillera désormais des étudiants de cette université qui y réaliseront des stages.

L'éthique et le sentiment qu'elle est responsable envers la communauté rapportent à Cascades. Ainsi, Greenpeace et Équiterre la citent en exemple, de plus l'Actualité et Commerce lui ont consacré des articles favorables. Elle figure dans le palmarès des meilleurs employeurs canadiens, aux côtés de 99 autres entreprises.

Selon Hubert Bolduc, être éthique ne coûte pratiquement rien. En revanche, ne pas l'être engendre des coûts élevés et inattendus.

## Questions éthiques : casse-tête

Quand des dirigeants d'une entreprise se demandent si être éthique c'est rentable, si l'éthique permet d'augmenter les profits ou si l'éthique est un facteur de ventes pour le marketing, ils posent de très mauvaises questions. Il n'y a pas de corrélation entre éthique et profits. Il y a plusieurs façons d'être éthique comme il existe plusieurs façons de faire de l'argent.

Une question plus appropriée selon Thierry Pauchant, le titulaire de la Chaire de management éthique, serait de questionner, comment être éthique tout en étant rentable. Ainsi, l'éthique passe de moyen à fin. Pour une entreprise, il est possible d'être à la fois rentable et éthique.

L'éthique est faite d'apprentissages et suscite parfois un besoin d'ajuster les structures. Si c'est ce qu'il faut pour s'extirper du cynisme, pourquoi pas? L'éthique, ou le manque d'éthique, ne dépend pas de la profession. Il serait injuste de penser que seule la gent financière est susceptible de mal agir. Il est tout aussi injuste de croire que l'éthique est bonne à servir la réputation de l'entreprise uniquement.

À la place, les dirigeants et les employés de l'entreprise ont des valeurs et celles-ci guident leurs comportements. L'exemple de Rona est éloquent. Ce quincailler a choisi de ne plus vendre de pesticides, ils ont été remplacés par des produits équivalents naturels et biodégradables. Le chef de la direction de Rona ne supportait pas de vendre des pesticides chimiques poisons pour la santé et l'environnement.

Le professeur déplore qu'on s'adresse parfois à lui pour qu'il donne son approbation, son oblation universitaire. En effet, des dirigeants voudraient qu'il leur indique si ce qu'ils font est bien ou mal. La question est mal présentée. Demandons à la place, à l'instar de ce professeur de HEC Montréal, ce qu'il y a à apprendre en éthique dans chaque cas particulier qui se présente aux dirigeants d'entreprise et à leurs employés.

L'apprentissage favorise le développement moral et l'autonomie. L'individu passe du niveau où il craint la punition à un second niveau où la transaction est maîtresse de ses actions : il agit seulement si ça lui rapporte. Enfin, un dernier niveau correspond à celui où il reconnaît que plusieurs règles d'action peuvent exister et que tous n'agissent pas sur la base de la même règle. Quand même, ils sont capables de s'entendre sur une règle lorsqu'ils agissent ensemble et ils sont aussi capables d'actualiser cette règle en référence à des principes de portée universelle.

L'éthique concerne les individus, mais aussi la société. L'éthique recoupe de même le côté objectif du comportement et le versant subjectif qui explique les motifs de ce comportement. L'éthique est un casse-tête à quatre morceaux qui s'étend sur trois niveaux.

## Annexe 1.12

### Ateliers sur les **associations et organisations sans but lucratif**

Par Guillaume Blum, candidat au doctorat, UQAM

#### Conférenciers :

- **Sybille Mertens**, directrice de recherches, Centre d'Économie Sociale, Université de Liège
- **Michael Hall**, vice président à la recherche, Imagine Canada
- **Nancy Neamtan**, présidente- directrice générale, Chantier de l'économie sociale
- **Louis Jolin**, professeur et directeur, département d'études urbaines et touristiques, ESG-UQAM
- **Charles Guindon**, directeur du développement, Secteurs habitation communautaires, environnement, financement et capitalisation, Chantier de l'économie sociale

#### Modérateurs :

- Denis Harrisson, professeur titulaire, Centre de recherche sur les innovations sociales, CRISES, ESG-UQAM
- Annie Camus, professeure, ESG-UQAM

#### Faits saillants

**Sybille Mertens** fait ressortir l'importance pour l'avantage compétitif d'un pays de posséder un fort secteur à but non lucratif, car cela permet une meilleure gestion de la complexité, plus de liens sociaux et une plus grande confiance se répercutant dans le reste de l'économie, Michael Hall montre que le Canada possède historiquement un secteur social important parmi différents pays à travers le monde, mais que le pays prend actuellement un grand retard en ne modifiant pas la structure du secteur contrairement à nombre d'autres pays (comme la Grande-Bretagne, les États-Unis). Le Canada perd son avantage compétitif.

**Louis Jolin** insiste sur l'importance au Québec de la création d'un nouveau statut pour les associations et organisations du secteur.

**Charles Guindon** montre que le secteur est rentable et sécurisé, et qu'il est donc intéressant d'y investir.

**Charles Guindon** insiste aussi sur l'importance pour les financiers de ne pas intervenir dans la gouvernance des organisations, et que cette non-intervention se traduit à long terme par une augmentation du rendement des capitaux.

## **Les associations et organisations sans but lucratif : Une composante essentielle de la structure socioéconomique des pays industrialisés**

Modérateur : Denis Harrisson, professeur titulaire (Centre de recherche sur les innovations sociales — CRISES), Département d'organisation et ressources humaines, ESG – UQAM

Tant au Canada qu'ailleurs dans le monde, les associations et organisations sans but lucratif occupent une place importante dans la structure économique des pays. Depuis quelques années, des efforts sont consacrés à mieux cerner l'apport économique de ces organisations. L'atelier permettra de faire le point sur ces efforts de recherche et présenter les résultats d'une vaste enquête d'évaluation menée sur l'ensemble du territoire canadien.

### **« L'état des connaissances sur la gestion des associations »**

**Sybille Mertens**, directrice de recherches, Centre d'Économie Sociale, Université de Liège

La question centrale à la base de la recherche présentée par Sybille Mertens est la suivante : les organisations à but non lucratif (OBNL) sont-elles vraiment productrices de valeur? Servent-elles l'économie? Madame Mertens, en tant qu'économiste s'intéressant initialement aux comptes nationaux, a cherché à ouvrir la boîte noire correspondant au secteur de l'économie sociale. Il n'y a en effet pas grand-chose à dire sur le fonctionnement interne de ce secteur en utilisant les outils macroéconomiques.

Le champ investigué dans la recherche correspond aux entreprises sociales<sup>16</sup>, c'est-à-dire des organisations à vocation sociale, tant que l'on peut les considérer comme des entreprises en termes d'organisation interne. Les résultats présentés sont issus d'une recherche basée sur des études de cas, actuellement suffisamment avancée pour en tirer certaines conclusions, mais non finalisée.

#### **1. Qu'est-ce qu'une entreprise d'économie sociale?**

Madame Mertens considère une entreprise sociale comme ayant les caractéristiques suivantes :

- une entreprise privée, c'est-à-dire n'appartenant pas à la sphère publique;
- une entreprise à vocation de production, au sens large (produit, service, monnayable ou non), et ayant ainsi une part de risque en tant que projet pouvant connaître l'échec;
- une vocation non capitaliste, c'est-à-dire sans finalité de profit, ce qui entraîne une forme d'organisation plus démocratique, ou au moins non reliée à l'argent investi

---

16 Les entreprises sociales, en Belgique, correspondent aux entreprises d'économie sociales au Québec. La distinction sémantique est faite pour des raisons culturelles: le terme d'économie sociale est dévalorisé en Belgique, les individus considérant que l'économie dans son ensemble est nécessairement à vocation sociale. Les deux expressions seront utilisées indifféremment. À noter aussi que dans la suite du texte, les termes d'organisation et d'association correspondront à des formes juridiques à but non lucratif, par opposition au terme compagnie qui représentera la forme juridique à but lucratif., Le terme entreprise sera utilisé pour représenter la finalité de l'organisme. Le terme de fondation fera référence à une organisation ayant vocation à récupérer des fonds, par exemple pour un hôpital, une université, un musée, etc.

(plus proche d'un membre = une voie, que d'un dollar = une voie). Cela entraîne aussi que la redistribution des profits ne se fait pas aux membres.

Ainsi, la définition de Mme Mertens exclut du champ les entreprises à but lucratif à vocation sociale. Par ailleurs, il est important de faire une distinction entre les continents nord-américain et européen sur deux points :

- ne sont pas prises en compte les fondations (qui n'existent pas ou peu en Europe);
- Il n'y a pas de discussion sur l'innovation sociale, mais sur comment gérer l'entreprise.

## 2- Pourquoi les entreprises d'économie sociale existent-elles?

En se basant sur la théorie économique institutionnelle, les entreprises d'économie sociale sont définies négativement : elles représentent une forme efficace et optimale quand les autres acteurs (État et compagnies à but lucratif) échouent.

En effet, dans le discours économique, une entreprise privée est la forme la plus efficace lorsqu'un marché existe et qu'il y a situation d'information parfaite pour les acteurs. Il y a donc trois cas reconnus comme problématiques par la théorie : (1) la situation de monopole (2) la situation où il est difficile d'évaluer la qualité de ce qui est produit (par exemple la qualité des soins dans les maisons de personnes âgées) (3) la situation où il y a production de biens collectifs (par exemple, l'éducation). Dans ces trois situations, l'État doit intervenir, mais celui-ci est (1) inefficace (2) orienté par les priorités du citoyen moyen, en vue notamment d'assurer la réélection à court moyen terme des politiques (3) inapte à intervenir sur les enjeux globaux (comme par exemple le réchauffement climatique).

Dans ces situations, les entreprises d'économie sociale se retrouvent dans une situation privilégiée. De plus, elles génèrent de la confiance, peuvent ainsi chercher des fonds, et ont souvent un ancrage local<sup>17</sup> (au moins pour certaines, selon leur mission). Elles peuvent par ailleurs :

- produire des biens publics complémentaires, et en délégation des pouvoirs publics;
- produire des biens de confiance (par exemple, des certifications comme pour le commerce équitable);
- produire des solutions au pouvoir du marché, afin de servir de contre-pouvoir.

## 3- Qu'est-ce que les entreprises d'économie sociale ont de différent (en terme de management)?

Parmi les résultats de la recherche entreprise, voici les principaux éléments ressortant pour les entreprises d'économie sociale : (1) elles sont basées sur un autre système de valeurs : solidarité, liberté, responsabilité morale, équité (2) elles sont plus complexes à gérer, car (a) il faut toujours arbitrer entre objectif social et objectif économique (b) il y a beaucoup de parties prenantes, ayant des objectifs divers, et qu'il faut nécessairement prendre en considération (c) l'évaluation des performances est difficile, car on ne peut souvent pas le faire suivant les normes reconnues. En effet, quoi évaluer? Le but n'est pas monétaire, et le choix peut être moins productif par nature, par exemple pour un organisme visant à donner

---

<sup>17</sup> Il est à noter que les grandes entreprises sociales se basent plutôt sur leur réputation, et les plus petites sur leur ancrage local. Ce point particulier a été abordé dans les questions.

du travail à des personnes handicapées.

Par ailleurs, de nombreuses différences se font en termes (1) de marketing, avec un fort besoin de se différencier (2) de finance où les parties prenantes sont multiples et l'articulation de multiples formes et sources de financement peut se faire, nécessitant souvent de trouver des manières innovantes d'accéder au capital (3) de gouvernance, puisque l'organisation ressemble plus à une démocratie qu'à une autocratie (4) de gestion des ressources humaines, celle-ci se faisant d'une manière généralement plus informelle, dans une situation de plus grande diversité, et avec souvent une relation où des salariés travaillent avec des bénévoles.

Les différences sont donc importantes avec le secteur plus traditionnel des entreprises à but lucratif. Ainsi, le secteur d'économie sociale est source de diversité et peut se traduire, pour un pays, en avantage compétitif vis-à-vis d'autres pays à plusieurs niveaux : (1) tout d'abord, cela peut être une source d'apprentissage de gestion de la complexité, pouvant se diffuser dans d'autres organisations (2) le secteur permet de créer, tisser, maintenir un lien social au sein de communautés et de la population, et même si les avantages économiques ne sont pas directement mesurables, ils sont très probablement indirectement importants (3) le secteur permet de générer de la confiance, ce qui peut servir pour toute activité économique au sens large.

#### « OBNL au Canada : des contributions méconnues et des occasions ratées »

**Michael Hall**, vice-président à la recherche, Imagine Canada

Monsieur Michael Hall présente une vue générale du secteur des organisations à but non lucratif. L'illustration 1 présente un portrait des types d'organisation présents dans le pays.

Le Canada est le deuxième pays au monde, après les Pays-Bas et avant la Belgique, où le secteur des organisations à but non lucratif est le plus important, par rapport à la population active y travaillant<sup>18</sup>. Sa contribution au PIB est de l'ordre de 29,1 milliards de dollars, soit 2,6 % de celui-ci. Si l'on ajoute les contributions bénévoles, cela équivaut à 1,7 % du PIB en plus (estimation de 1997), ce qui équivaut à 1,7 million de personnes travaillant à temps plein. En incluant les fondations, on arrive à 51,2 milliards de dollars.

Toutefois, l'argent y est très inégalement réparti : près de 42 % possèdent un chiffre d'affaires annuel de moins de 30 000 \$, alors que 1 % présentent un budget annuel de plus de 10 millions de dollars (voir l'illustration 2). Ce 1 % détient ainsi 59 % des revenus totaux du secteur. Si l'on élargit aux organisations dont le chiffre d'affaires est de plus d'un million de dollars, il s'agit alors de 84 % des revenus totaux qui sont représentés par une poignée d'organisations. La provenance des fonds est présentée dans le Tableau 1.

Mais les problèmes de financement s'accumulent. Ainsi, si respectivement 8 % et 5 % des Canadiens effectuent 62 % des donations et 54 % des heures bénévoles, sur le long terme, il y a une baisse visible et ressentie du nombre de donateurs. Par ailleurs, le fait de

---

18 Même en retirant les fondations – présentent pour des raisons légales dans ce secteur – pour arriver au cœur des organisations à but non lucratif, le Canada reste virtuellement le 7ème pays au monde en importance. On parlera pour ce regroupement (organisations - fondations) de secteur cœur dans la suite du texte.

contribuer aux organismes uniquement à travers le financement de projets<sup>19</sup> est problématique, car cela ne prend pas en considération les besoins structurels de fonctionnement. Enfin, le secteur est particulièrement sensible aux fluctuations et turbulences économiques et financières, car ces organisations possèdent des réserves limitées et des revenus en baisse (les individus donnent moins, les gouvernements injectent directement de l'argent dans l'économie), sans compter des difficultés – plus importantes encore qu'en temps normal – d'accès au capital (frilosité des financiers à prêter en période de crise).

Il est donc essentiel de trouver de nouveaux modèles de financement, moins basés sur la charité, mais sur de nouvelles conceptions d'économie sociale, d'innovation sociale, d'entreprise sociale et de finance sociale. Il s'agit là d'un vrai challenge pour le secteur, et cela doit être pris en considération par les gouvernements.

Or, si l'on observe ce qui se passe à travers le monde, plusieurs pays changent leurs structures pour soutenir le secteur. Ainsi, en Grande-Bretagne, on a pu voir l'apparition d'un *Office of the third sector* pour aider celui-ci, doté d'un budget dépassant les 515 millions de livres entre 2008 et 2011. Il en va de même aux États-Unis depuis très récemment (bureau dépendant de la Maison Blanche et fond social d'innovation de 50 millions de dollars créé en 2009). Toutefois, le Canada – s'il aide son secteur privé à surmonter la crise – n'a toujours pas réagi quant à l'aide du secteur des organismes à but non lucratif. Il faut noter heureusement que les provinces sont plus promptes à réagir, et que plusieurs d'entre elles ont créé des structures (Alberta, Nouveau-Brunswick, Terre-Neuve et Labrador, Nouvelle-Écosse, Ontario, Québec), mais cela n'est pas suffisant.

Le Canada est donc en situation de désavantage compétitif pour ce secteur vis-à-vis des autres pays, car il y a un manque de reconnaissance de la part du gouvernement fédéral, et un échec dans le développement des stratégies pour investir et soutenir l'innovation sociale, les entreprises sociales, l'économie sociale, comme dans les autres pays. Cela est d'autant plus grave que le Canada partait d'une situation plutôt privilégiée.

*Commentaires intéressants :*

1. Une personne dans la salle, gérant un OBNL présent dans plusieurs provinces du Canada, fait remarquer que contrairement au reste du pays où les volontaires et les donateurs sont en partie les mêmes personnes, donateurs et volontaires représentent des personnes différentes au Québec.
2. Une personne présente brièvement l'existence des ARUC (Alliance de recherche universités-communautés).

*Commentatrice :*

*Nancy Neamtan, présidente-directrice générale, Chantier de l'économie sociale*

Madame Nancy Neamtan met l'accent sur plusieurs éléments importants actuellement en cours dans le secteur de l'économie sociale :

Il y a un véritable enjeu de définition autour de ce champ. Par exemple, nombre d'entreprises à but lucratif créent des OBNL afin de bénéficier d'avantages dont elles ne

---

<sup>19</sup> Il s'agit là du mode d'opération des gouvernements qui financent des projets précis, et non du personnel ou des frais fixes.

peuvent normalement tirer parti (par exemple, le Festival de Jazz, OBNL, qui obtient des subventions intégralement reversées sous forme de contrat de sous-traitance à SPECTRA, entreprise à but lucratif). De plus en plus de formes hybrides se développent ainsi. Le point sur la forme juridique sera traité plus loin par monsieur Jolin.

Par ailleurs, madame Neamtan met en garde contre l'utilisation de plus en plus fréquente du terme *social entrepreneurship*. Ce terme aurait tendance à introduire au sein d'OBNL des mécanismes de gestion issus du monde traditionnel des affaires, alors que ces mécanismes ne sont pas nécessairement adaptés. Il s'agit d'un enjeu de gestion démocratique.

Il doit aussi y avoir un débat national sur le secteur à but non lucratif. Doit-il nécessairement intervenir lorsque l'État et les entreprises privées ne sont pas efficaces? Y a-t-il des secteurs dans lesquels il pourrait intervenir? C'est une véritable problématique, car il arrive que de nouveaux marchés soient créés par des entreprises d'économie sociale alors qu'ils ne sont pas rentables, puis qu'avec les efforts effectués par ces entreprises, ces marchés deviennent financièrement rentables. Des entreprises à but lucratif arrivent alors et dénoncent les OBNL présentement comme effectuant de la concurrence déloyale. Des secteurs peuvent aussi éventuellement avoir une vocation à but non lucratif. Par exemple, les éoliennes devraient-elles être développées par Hydro-Québec ou par des coopératives? Ces questions doivent être débattues.

Un autre enjeu mis en avant par madame Neamtan correspond au problème d'image, de présentation des entreprises d'économie sociale. Comment doivent-elles s'insérer dans la logique économique? Cela peut poser des problèmes de financement. Il semble important de revenir à la source, basée sur la valeur économique, et non la valeur monétaire ou financière qui n'est pas toujours présente.

### **Nouvelles tendances et défis au plan de la gouvernance, du financement et de l'encadrement juridique des OSBL**

Modératrice : Annie Camus, professeure, Département d'organisation et ressources humaines, ESG – UQAM

Avec le développement des OSBL que connaît le Québec et d'autres pays industrialisés, avec l'apparition de fonctions de vente de produits et services au sein des OSBL, la gouvernance, le financement et l'encadrement juridique de ces organisations sont remis en question et les gouvernements canadien et québécois sont à revoir les lois qui gouvernent les OSBL. Nos panélistes nous dresseront un portrait des tendances et défis qui se présentent afin de mieux répondre à l'évolution du secteur associatif.

### **« Les défis du management des associations (gouvernance, cadre juridique) adaptés aux nouvelles réalités »**

**Louis Jolin**, professeur, Département d'études urbaines et touristiques, UQAM

Pour monsieur Jolin, le principal défi consiste à déterminer si nous arriverons à clarifier et à bonifier, dans les années à venir, le statut d'association au Québec (au sens juridique du

terme). Il s'agit d'une question relativement ancienne, puisque depuis 1996, le gouvernement du Québec mène des travaux dans ce sens. Louis Jolin pose ainsi deux questions principales : le statut juridique permet-il de gérer des associations, voire, existe-t-il?

Commençons par l'existence du statut juridique des associations. Dans la langue commune, il existe plusieurs termes, pas toujours très bien différenciés ou définis : OBNL, OSBL, organisme, organisation à but non lucratif, etc. Mais, la confusion existe aussi dans le domaine juridique. Il existe ainsi 15 lois générales relatives aux associations, 82 lois mixtes et 1500 lois privées. Des progrès ont toutefois été réalisés, puisque dans sa nouvelle version, le Code civil du Québec définit maintenant le contrat d'association.

Malgré tout cet enchevêtrement juridique, c'est la Loi sur les compagnies, partie 3, qui est la forme juridique la plus utilisée pour créer des OBNL. Elle définit le droit d'association comme un droit d'exception du droit des compagnies, avec comme spécificité l'absence de capital-action.

Le statut existe donc, même s'il est multiple. Mais est-il adapté pour gérer des entreprises? La réponse est ambiguë pour monsieur Jolin. En effet, si dans les faits, il est dans un certain sens adapté – puisque des associations existent bel et bien – il n'est pas sans poser de problèmes. Parmi ceux-ci, relevons les plus marquants :

- le concept de « sans but lucratif » signifie juridiquement – et ne fait que signifier – que les profits ne doivent pas être partagés entre les membres;
- la capacité des OBNL est limitée en principe, puisque la jurisprudence provenant des tribunaux québécois a statué que l'association n'était pas le meilleur statut juridique lorsque l'objectif principal est économique;
- les objets divers des associations peuvent induire des réticences;
- l'absence de capital-action entraîne un problème de financement;
- la responsabilité des administrateurs (le plus souvent bénévoles) est bien plus limitée que pour une compagnie. Par exemple, il n'y a pas de responsabilité des administrateurs sur les salaires en cas de faillite;
- l'argument de concurrence déloyale est souvent utilisé par des compagnies à but lucratif;
- les associations entrent en compétition avec le cadre juridique des coopératives;
- certaines lois excluent les entreprises à but non lucratif.

Il s'agit là de problématiques relevées et débattues au Québec depuis une quinzaine d'années. Mais l'évolution de la loi est proche.

#### Quels éléments à privilégier pour une modification de la Loi?

Tout d'abord, il faut sortir du droit d'exception des compagnies et donner ses lettres de noblesse à l'association, en la définissant positivement, et non par la négative comme c'est actuellement le cas. Pour monsieur Jolin, il s'agit (1) d'une personne morale (2) regroupant au moins trois personnes (3) ayant une assemblée de membres et un conseil

d'administration (4) ayant un mode de gestion démocratique<sup>20</sup> (5) possédant une souplesse organisationnelle et fonctionnelle, car l'association peut être un lieu d'innovation qu'il ne faut pas brider par défaut (6) dont les bénéfices éventuels ne doivent pas être distribués entre les membres pendant la vie de l'organisation ou à sa dissolution<sup>21</sup>.

Les autres modifications au statut juridique à apporter seraient : (1) des capacités illimitées (2) des mécanismes permettant une meilleure capitalisation (3) des mécanismes de reddition de comptes adaptés aux actions effectives, c'est à dire pouvant varier dans le temps suivant les actions de l'association, afin de garder une certaine souplesse, et ne pas alourdir les tâches lorsque cela n'est pas nécessaire.

Finalement, Louis Jolin souhaite que la future loi québécoise ne soit pas aussi lourde que la nouvelle loi fédérale, regroupant près de 300 articles, en faisant un véritable monstre juridique extrêmement lourd à gérer. Mieux vaudraient deux lois, une donnant un statut aux associations, l'autre étant une loi-cadre visant à définir l'économie sociale (actuellement sans statut juridique).

**Charles Guindon**, directeur du développement, secteur habitation communautaire, environnement, financement et capitalisation, Chantier de l'économie sociale

Comment se financent les associations et organisations à but non lucratif? C'est là une question fondamentale pour un nombre important de celles-ci. Si la question avait été posée il y a une dizaine d'années, la réponse n'aurait fait état que deux uniques sources de financement au Québec : le réseau d'investissement social du Québec (RISQ, depuis 1997) et la caisse d'économie sociale (depuis 1971). Qu'en est-il aujourd'hui? Les sources sont beaucoup plus nombreuses, et varient de façon importante. Par exemple, se sont ajoutés les CLD (centres locaux de développement), le CEDEC (comité de l'employabilité et du développement économique communautaire), des fonds d'investissement Québec, etc. Le financement se fait en quelque sorte par montage financier auprès de différents fonds (voir l'illustration 3).

L'un des éléments importants de ce type de financement est qu'il est assez rentable (à titre d'exemple, le rendement moyen du RISQ est d'environ 7 % par an) et très peu risqué par rapport aux compagnies, dont les chances de mourir au cours des premières années sont beaucoup plus importantes (cela est notamment dû à l'encrage local et social des associations. Voir le tableau 2). Par exemple, les habitations communautaires au Québec représentent un actif de 3 milliards de dollars pour 55 habitations, ayant un rendement actuel de 8 % (pour le fonds d'investissement Montréal Habitation), sans aucune perte depuis 30 ans, contre toute attente du gouvernement du Québec à l'époque.

Par ailleurs, l'un des enjeux sur lequel se sont battues de nombreuses associations est l'absence de financiers dans la gouvernance de l'association, les rendements étant meilleurs si l'association se concentre sur sa mission proprement dite, ce qui a été et demeure un combat difficile, mais finalement acceptée par un nombre grandissant d'organismes de

---

20 Cela ne veut pas nécessairement dire que tous les membres sont égaux dans leurs votes. Ainsi, il pourrait exister différentes catégories de membres, chaque membre étant égal aux autres à l'intérieur d'une catégorie, mais toutes les catégories ne se valent pas nécessairement.

21 Actuellement, les bénéfices peuvent être distribués à la dissolution, ce qui peut être problématique. Louis Jolin propose que les bénéfices soient par exemple distribués à une autre association dans le même secteur en cas de dissolution.

financement.

Finalement, quels sont les enjeux concernant le financement des associations? (1) Il est nécessaire d'obtenir un « capital patient » (15 ans avant remboursement) (2) il faut réunir suffisamment de capitaux pour ne pas limiter la croissance (3) il faut faire attention à la phase de pré démarrage pour que le secteur ou l'idée ne soit pas reprise lors de la phase d'expansion par des entreprises à but lucratif (qui par la suite dénonceraient une concurrence déloyale d'OBNL) (4) prévoir une stratégie de sortie comme, par exemple, un marché secondaire non spéculatif (5) finalement protéger l'intégrité de la gouvernance collective.

Commentaire intéressant dans la salle :

- En augmentant le nombre de contraintes sur les bénévoles, il arrive que ceux-ci finissent par renoncer à siéger sur les C.A. d'OBNL.

### **Conclusion générale**

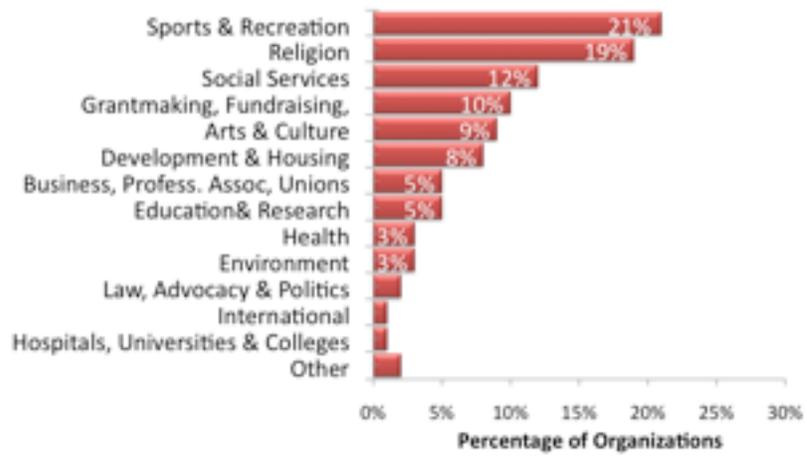
**Nancy Neamtan**, présidente-directrice générale, Chantier de l'économie sociale

Pour finir la séance, madame Nancy Neamtan fait quelques commentaires :

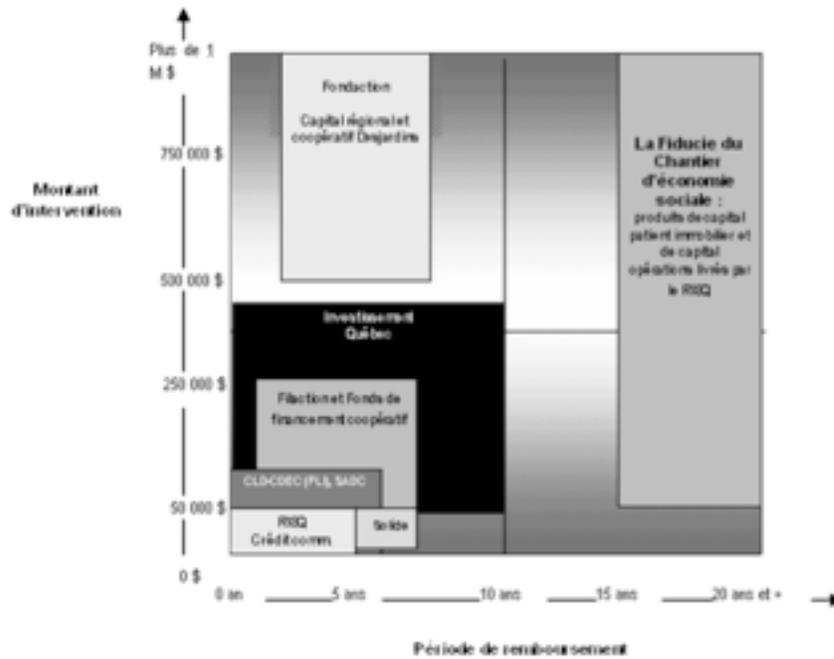
- 1- le terme d'entreprise durable n'est pas à prendre comme cela est trop souvent le cas comme entreprise qui continue à faire des profits;
- 2- on accepte qu'une entreprise privée paye décentement ses salariés, pourquoi ne serait-ce pas le cas pour un OBNL? Pourquoi celle-ci devrait-elle nécessairement sous-payer ses salariés;
- 3- finalement, l'économie doit être au service de l'humain, et non l'inverse. Les associations et organisations à but non lucratif ont donc un rôle capital au sein de la société, même si les retombées monétaires directes ne sont pas aussi importantes que dans le secteur privé.



Illustration 1 : Financement des organisations sans but lucratif



Pr  
 To  
 Se  
 G



Source : Chantier de l'économie sociale

Illustration 3 : Sources de financement des organismes sans but lucratif au Québec

Espérance de vie

Coopératives

Entreprises

3 ans

74.74.948.2

48.2 %

5 ans

62 %

35 %

10 ans

419.2

19.2 %

*Tableau 2 : Espérance de vie comparée entre coopératives et entreprises*

## Annexe 1.13

### Ateliers sur les **entreprises innovantes : jeux vidéo et arts**

par Lorenzo Bizzi, candidat au doctorat, HEC Montréal

#### Speakers :

- **René Barsalo**, director of Research & Strategy, Society for Arts & Technology (SAT), which develops innovative projects to intensify the dialogue between artists and people
- **Roger Parent**, presidents of Réalisations.net, which develops design and architecture projects through the marriage of arts and technology
- **François Colbert**, full professor at HEC Montreal, holder of the Chair de Gestion des Arts Carmelle et Rémi-Marcoux and editor of the International Journal of Arts Management
- **Patrick Cohendet**, visiting professor at HEC Montreal
- **Laurent Simon**, associate professor at HEC Montreal
- **Francis Baillet**, vice-president of Human Resources at Ubisoft Montreal

#### Moderator:

- **Roberto Rocha**, Tech Reporter for The Gazette

#### Introduction

Art and videogame firms represent highly innovating companies as their survival depends on their abilities to propose always something new to their consumers. In addition, arts and videogames are maybe better able than any other sector to exploit the innate passion of individuals who work for them, resulting in higher motivation to work and perform adequately. Yet, art and videogame firms also face considerable managerial challenges: they experience difficulty to be profitable; they have problems in finding support from banks; they need to over rely on the financial support of the public administration, which often does not arrive in time; they experience inherent conflict as artists are generally difficult to manage and often resist to any form of organizational control. This track of the Forum addresses different interesting issues: first, it attempts to explore the advantages of arts and videogame organizations, their potential new attracting markets, the role that they can play for the entire economy and for Montreal. Second, the speakers address the main problems that these organizations have to face, related to the speed of change, to the relationship with the public administration, to the inherently complex nature of the artistic creation process. Third, this track of the Forum addresses the managerial practices and policies that should be implemented to solve the problems and to exploit the potential advantages of arts and videogame organizations.

This small summary will not list all topics discussed by all participants but it will present the main themes emerged from the discussions. The order of the themes will generally follow the order of the presentations, though the arguments of different speakers might be combined if they addressed the same theme. Consequently, the document will be structured per theme rather than per speaker, even if always specifying who argued what.

### **The Frenetic Pace of Change: Incompatibility of Generations**

**René Barsalo** begins his speech addressing a main challenge that creative companies have to face nowadays: he argues that the pace of change has dramatically increased in the modern society, especially for creative sectors. Rearranging his argument, we can identify that this phenomenon resulted in three major consequences, representing the main organizational problems creative companies have to face today. The first negative consequence of fast-pacing change is the incompatibility of generations. While in the past years, knowledge, values, and interests of generations were relatively similar, today the fast pace of change is strongly affecting the habits of individuals, resulting in difficulty of communication between generations. People that are today executives were not born in the same world in which young employees and at the same time young consumers are living now. The meaning that technology has for older generations is completely different from the meaning attributed by younger generations. For this reason, young employees speak a language that executives are often not able to understand, not sharing the same cultural values and habits. The situation becomes problematic because young employees are better able to understand the needs of the next generation of customers, but the decision makers are the old executives, who might therefore often slow down the responsiveness of the businesses to new opportunities. Barsalo suggests therefore that we should leave soon room to young voices as they are better able to guide innovative companies toward the realization of their potential.

### **The Frenetic Pace of Change: The Problems of Patents**

The second negative consequence of the frenetic pace of change has been addressed both by **René Barsalo** and by **Roger Parent**. The fast pace of change results in innovations on the creative industry which are not easy to categorize, standardize, identify in their constituent intellectual elements and therefore effectively protect through patents. One of the main problems of innovation management has always been the exploitation of intellectual ideas, which can theoretically be protected through the patent system. Patents are also important for banks to decide to provide loans to companies. Yet, patents are practically impossible for constantly changing creative works, leading to a condition in which companies have to invest to develop new creative solutions that could be easily replicated with minor costs by competitors. In order to create an effective patent system, there is need to have a clear specification of what constitutes “intellectual work” that is worth protection from competition, but the conditions of change in the creative sectors do not allow a stable definition of that, resulting in an inefficient system. **René Barsalo** stressed how difficult it is to get patents, how patents risk being useless because competitors can just modify marginally the ideas and circumvent the protection offered by the patent, and how time and resource consuming the process of getting a patent for a

creative product is. The same problem was addressed by **Roger Parent** who suggested that the best way for his company to face the problem is not to exploit any new innovation but just continuously create new innovations and ideas. His company never replicates the same project for two different clients even when the clients themselves demand it.

### **The Frenetic Pace of Change: The Problem of Financial Sources**

The third negative consequence of the frenetic pace of change can be identified both in the speech of **Roger Parent** and in the speech of **François Colbert**. The fast pace of change results in higher difficulty of getting financial support from the public administration. There is a time lag between the development of new creative technologies, the acceptance of them and the funding by the public administration. When a new creative project or technology is developed, it might take up to four years before the Quebec Council for the Arts recognizes its value and decides to promote it and fund it. In this lag of time, the innovation has already become obsolete. As **Roger Parent** noted, then, it happens regularly that he presents a new project to the Canadian Government agencies for funding and the answer he gets is “you are too forward. This is a good idea but we could not plan its funding ahead”. The logic of bureaucracy that governs the public administration requires a priori planning and it is not compatible with the logic of creative innovation, which emerges spontaneously and cannot be planned or even evaluated a priori.

### **The Role of Participation for the Success of Art Businesses**

What makes people like the arts? René Barsalo suggests that the direct relationship between artists and people makes people like the arts. Artistic work is inherently complex and only if there is a direct liaison between people and artists, people will be able to understand how difficult it is to elaborate an artistic work and will start appreciating it. According to him, in previous centuries there was a closer relationship between artists and people, resulting in people better able to understand and criticize the artistic work. Differently in recent years, the relationship between artists and individuals became mediated by the television and mass media. People just see artists on television. They lost the direct contact with artists and consequently the ability to actively criticize artistic works, resulting in lower involvement. The Société des arts technologiques attempts to bring artists and people closer again, creating spaces, such as the HubUrbain, in which artists and people can regularly meet and engage in mutual dialogue. Through immersed participation, artists can have the chance to transfer their ideas to people, make them better understand the nature of their work and therefore engage them more. The result is a stronger appreciation of arts and therefore higher fruition intentions.

### **Art, Technology and Design: The Rise of a New Business Opportunity**

**Roger Parent** explained that new business opportunities for companies can be exploited associating artistic work to technology for design components. His company, whose works can be observed at Réalisations.net, has coined the concepts of moving architecture and meaningful entertainment, developing innovative design projects for clients all around the world in which technology espouses arts. Clients could be bars, restaurants, hotels or

nightclubs which want to offer a memorable experience to their clients, while positioning themselves as technologically innovative and artistically creative. For example, in one project, the company managed to use pixel technology to create holograms of water drops that were realistically simulating rain inside a room. In another project they created a system converting sounds into images: the technology was able to record conversations of people in a room and project in the ceiling water bobbles and circles that were replicating the pace of conversations in the very same moments as people were speaking. In another project, they created a multifunctional space which could be a theatre and easily turn into a nightclub: in this case technology, arts and design were combined to create economies of scope and maximize the exploitation of resources. As clients are more and more searching for experiences that go beyond the functional consumption, and as restaurants or hotels are continuously searching to differentiate themselves from competition, the development of design projects that leverage arts and technology can offer a new profitable growing market. Arts and technology create a competitive advantage for design projects, design allows art to become profitable as it represents a market with high demand and resources, and technology offers extraordinary new means to exploit the potential of arts. Patrick Cohendet also offers an argument that overlaps with the position by Parent. He argues that beforehand scientific creativity typical of technological innovation and artistic creativity typical of artistic innovation were clearly separated, but now they tend to overlap more and more: companies that understand how to synergistically combine them will be able to exploit the most promising source of innovation for future businesses.

### **What Makes the Art Sector Different from Other Sectors? Continuous Innovation**

**François Colbert** offers an argument to explain why art businesses are different from other types of businesses. He posits that many businesses are characterized by innovation, but the art businesses, especially the performing arts businesses, are characterized by continuous innovation. A traditional innovative company could invest millions in R&D to explore new opportunities and develop innovative products. Yet, after the new product is developed a large amount of resources needs to be dedicated to the exploitation of the innovation through its efficient production, commercialization, and distribution. Art companies are engaged in continuous new product development efforts. As soon as a product is finished, a new product is already ready to be launched. Performing arts do not have the chance to exploit the innovations they generate.

### **Creative Industries: a Solution to the Economic Crisis**

The major point addressed by **Patrick Cohendet** is that creative activities at the intersection between arts, business and technology represent a possible solution to the current economic crisis. The creative sector is able to supply the new exploding demand for intangible products which has considerably surpassed the demand for tangible products and that the classic service sector is no longer able to satisfy. Moreover, the creative industry is not only able to affect directly the wealth of the world economic system but also to facilitate the development of the whole society, promoting education and facilitating cultural integration. There has been a shift from an industrial society, to an information society, to a knowledge-based society, and finally, nowadays, to a creative

society. From the logic of production effectiveness and efficiency we are experiencing now a new economic paradigm founded on creative intensity. The creative industry is represented by the work of professionals such as artists, architects, designers, but also artisans, whose role is strongly rising in the recent years. The creative industry in the 90s was growing four times faster than the manufacturing industry and twice as fast as the service industry. Recent evidence shows that this gap is even becoming larger in recent years. Not only has the demand for creative products and services grown, but also the characteristics of workforce have deeply changed. Nowadays the “creative class” of workers is the only rising class, as compared to agriculture, manufacture and service classes, which are all declining in terms of number of people. As a result, while in the past the manufacturing sector was occupying the core of the whole economic system with the service and the creative sector occupying a more peripheral position, today and in the future the creative sector is and will occupy the core of the economic system, while the manufacturing and service sectors will gravitate around it.

### **The Revolution in the New Economic Landscape: a New Chance for Developing Countries**

What is a major consequence of the rise of the creative sector? According to **Patrick Cohendet**, the rise of the creative sector is likely to promote a revolution in the economic landscape. While now the economy is still gravitating around cities in which the manufacturing activity is preponderant, such as Detroit, or the service economy is highly developed, such as New York, in the near future new cities will emerge. The UNESCO has recently awarded the small town of Popayan in Colombia as the first city for gastronomy. The city is living a period of fast growing economic development, due to an economy which is mostly based on small artisan and artistic activities. The economy growth based on creative industries is a great chance for developing countries to occupy a more important role in the world. Creative activities have also the advantage of being highly idiosyncratic and deeply rooted in the territory. The competitive advantage of a small town can therefore be preserved. The creative economy imposes new challenges for cities, which need to be able to attract intellectuals and creative individuals who can contribute in the development of the city and its economic system.

### **Montreal, the New Creative Capital?**

**Patrick Cohendet** notes that Montreal is the 5th city of the world in terms of the ratio of creative people to all population. Montreal should therefore invest to exploit the high potential of its creative class to increase its social and economic development. The critical factors that make Montreal one of the most creative cities could be traced on the type of companies that operate in the area, especially because of the videogame industry, on the active investment by the public administration to support artistic and festival initiatives, on the averagely high education of citizens and the predominance of young workers, on the multi-cultural nature of Montreal, which is a continuous source of fertilization and proliferation of creative initiatives. Yet, Montreal must pay attention as in recent years many other cities are investing considerably to increase their creative potential and attract creative talents. The competition for becoming an internationally recognized creative

capital is more and more intense and Montreal will have to reinforce its competitive advantage.

### **It's Not All About Being a Genius: the Creative Process and the Role of Management**

What is the creative process about? If the outcomes of the creative process depend exclusively on the genial minds that develop it and who are not keen on being constrained by managerial interventions, can there be a role for management in guiding and helping creativity? Yes, there can be. Management can be important for the development of creative processes because they do not depend but just in part on the creative talent of individuals who craft ideas. Both **Patrick Cohendet** and **Laurent Simon** studied the stories and practices of different “geniuses” from Fleming, inventor of penicillin, to Picasso and the Cubism, and concluded that the success of a creative initiative, an invention, an idea, depends on social processes that facilitate the diffusion and the acceptance of it. Practically every time there is a breakthrough discovery or idea, even if the creative individual is able to capture its significance, most other people are not and they tend to criticize and raise concerns about its validity. It is through the activation of social networks that the idea is mobilized, gets progressive legitimacy, recognition by wider audiences and ultimately approval. Therefore, even if management and organizations might not want to interfere in the creation process, in which the creative individual autonomously and independently develops his or her ideas, management can have a very proactive and critical role in facilitating the mobilization of networks, the diffusion, the translation of ideas, and ultimately their success.

### **The Challenges of Managing for Creativity**

Managing environments characterized by high degree of creativity is a considerable challenge. **Laurent Simon** explains how these environments are characterized by high ambiguity and failure is naturally considered as the normal condition, rather than a deviation that must never be verified. Knowing-how is generally harder than knowing-what: applying knowledge is more difficult than having it. Managerial challenges derive from the fact that work is composed by activities that individuals are not able to define a priori. The creative work has a peculiar characteristic for which people do not really understand what they are doing until they have not finished doing it. In addition, creative work is inherently affected by a series of tensions, such as, for example, the tension between tradition and conformity versus deviance and progress. These conditions naturally pose problems to the managerial work, to any sort of planning and even to any form of effective control.

According to **Roger Parent**, artists and creative individuals do not have to be “managed” because they tend to resist to any form of control: yet, managers have to create the proper environment for their work to be effective. In particular, managers have to guarantee a form of work security and attempt to diminish work stress, which, despite being beneficial for some forms of work, is generally deleterious for creative performance.

**Laurent Simon** suggests that creativity must be managed facilitating an environment that does not blame mistakes and that allows trials and errors. The proper work environment for creativity should also facilitate continuous learning, exchange of practices, vicarious learning and emulation. Last, the creative work environment functions properly when individuals have the perception that they “have fun” while they work. Facilitating the environment rather than planning and controlling appears to be the key for effective management of creativity. As Simon says “You cannot make a plant grow by pulling the leaves”: you must nurture it and facilitate the conditions for its autonomous and spontaneous blossoming.

**Francis Baillet** also addresses the issue of managing creativity. There are several constraints which make managing creativity a difficult challenge. First of all, high quality workforce is getting rarer and rarer. Some years ago Ubisoft was a highly dominant player in the Montreal area, but recently the entrance of many competitors operating in the Montreal area has made recruitment of talents more difficult than it was before. In addition, the technology is continuously evolving, creating problems as capabilities become easily obsolete. Last, the video-game business creates considerable budget and timing challenges that the company needs to continuously face. The solution of Ubisoft is the attempt to develop games by developing people. Several initiatives of the company are specifically aimed at increasing employees’ satisfaction and commitment: for instance, the high quality training program, informal and unstructured work conditions, gym and internal clinic with doctors exclusively for employees, or collective teamwork practices to share knowledge. The company is also convinced that success in a creative business requires identifying, attracting and selecting since very early the most talented potentials. Each year, young promising creative teenagers are involved in a two weeks training and team project that enables youngsters to cultivate their talent and have fun, while allowing the company to detect promising resources and developing a positive image of the company in the eyes of teenagers.

### **Art Only for Art’s Sake? Brand Extension and Arts**

The last important theme addressed in the conference by **Francis Baillet** refers to the exploitation of intellectual capital and its results, the intellectual work. Ubisoft’s business model is built on the idea of exploiting the creative work of individuals in order to extend the businesses in which the organization is an active player. What creates value for the company is the fact that video-games do not represent merely products, but brands that can be extended leading to multiple sources of revenues. The videogame can be exploited creating ancillary products, derivative products and licences. For instance, from characters of videogames Ubisoft is intended to write novels. Similarly, many videogames tend to become Hollywood movies and generate additional revenues.

### **Conclusion**

This track addressed the benefits, the problems and the managerial practices for arts and videogame companies. The themes revealed that the creative sector is characterized by continuous innovation and could represent a solution for the possible economic crisis or a

competitive advantage for the city of Montreal. The intersection between the arts, technology and design can represent a new growing market in which companies should invest. Artistic products can also be exploited for brand extension purposes, leading to possibly higher profits. Yet, the track revealed also critical problems that arts and videogame companies have to face. The fast pace of change creates a problem of incompatibility of generations, a difficulty to protect innovations through patents, and a difficulty to adequately obtain financial support from the public administration. In addition, the creative processes are inherently complicated to manage and often success does not simply depend on the creative talent of artists. Organizations should therefore develop managerial practices that do not control and restrict the action of artists, but facilitate the proper environment for spontaneous germination of creativity. They should facilitate the creation of social networks for the diffusion of innovation. They should facilitate the participation to decision making processes at all levels. They should highly invest in human resources practices to attract better talents, develop them and guarantee their work satisfaction. To conclude, the track on Arts and Videogames of the International Forum of Management offered many indications to make us understand the potential of these innovative companies and the ways to harness this potential for the benefits of Montreal, Canada and the society as a whole.

## Annexe 2

### Liste des conférenciers

#### Conférence inaugurale :

- **John Micklethwait**, éditeur en chef, *The Economist*

#### Conférences générales :

- **Yvan Allaire**, professeur émérite de stratégie, UQAM; titulaire fondateur de la Chaire Bombardier en gestion des entreprises transnationales; professeur associé, HEC Montréal; président de l'Institut de la gouvernance d'organisations privées et publiques
- **Michael Bloom**, vice-président, Apprentissage et efficacité organisationnelle, Le Conference Board du Canada
- **Sheila Brown**, directrice générale, Canadian Centre for Ethics in Public Affairs
- Arlene Dickinson, présidente, Venture Communications; juge à l'émission Dragon's Den de la chaîne CBC
- **Chad Gaffield**, président, Conseil de recherches en sciences humaines
- **Howard Thomas**, président de l'American Association of Collegiate Schools of Business International et de l'Association of Business Schools; doyen, Warwick Business School, University of Warwick
- **Jean-Marie Toulouse**, professeur honoraire, HEC Montréal

#### Conférences thématiques :

##### 1. *Management et stratégie*

- **Marcel Côté**, associé fondateur, SECOR Conseil
- **Ali Dastmalchian**, doyen, Faculty of Business, University of Victoria; président, Fédération canadienne des doyens des écoles d'administration
- **Taïeb Hafsi**, professeur titulaire, Chaire de management stratégique international Walter-J.-Somers, Service de l'enseignement du management, HEC Montréal
- **James Milway**, directeur général, Institute for Competitiveness & Prosperity
- **Henry Mintzberg**, professeur titulaire, Chaire Cleghorn de la Faculté d'administration de l'Université McGill; Faculté de gestion Desautels

##### 2. *Finance*

- **George Dionne**, professeur titulaire, Chaire de recherche du Canada en gestion des risques, Service de l'enseignement de la finance, HEC Montréal
- **Peter Christoffersen**, professeur agrégé, Faculté de gestion Desautels, Université McGill

- **Jan Ericsson**, professeur, Faculté de gestion Desautels, Université McGill
- **Stéphane Rousseau**, professeur titulaire, Chaire en droit des affaires et du commerce international; directeur, Centre de droit des affaires et du commerce international, Faculté de droit, Université de Montréal
- **Bernard Amyot**, avocat émérite, Heenan Blaikie

### 3. *Comptabilité*

- **Jean Bédard**, professeur titulaire, Faculté des sciences de l'administration, Université Laval
- **Joseph Carcello**, professeur de comptabilité Ernst & Young, College of Business Administration, University of Tennessee; directeur de recherche, Corporate Governance Center
- **Paul Cherry**, expert-comptable; président du Standards Advisory Council pour le Bureau des standards comptables internationaux
- **William R. Kinney Jr.**, professeur Charles & Elizabeth Prothro Regents Chair in Business and Price Waterhouse Fellow in Auditing, McCombs School of Business, University of Texas at Austin; membre du Conseil des normes internationales d'audit et d'assurance
- **Patricia C. O'Brien**, professeure de comptabilité Ernst & Young, School of Accounting and Finance, University of Waterloo
- **Tom Scott**, vice-doyen et professeur, School of Business, University of Alberta

### 4. *Entrepreneuriat*

- **Robert Anderson**, professeur, Faculty of Business Administration, University of Regina; directeur de rédaction, Journal of Small Business and Entrepreneurship
- **Louis Jacques Filion**, professeur titulaire, Chaire d'entrepreneuriat Rogers-J.-A.-Bombardier, Service de l'enseignement du management, HEC Montréal
- **Benson Honig**, professeur titulaire, Teresa Cascioli Chair in Entrepreneurial Leadership; président, Conseil canadien des PME et de l'entrepreneuriat, DeGroote School of Business, McMaster University
- **Lawrence Veilleux**, directeur mentorat d'affaires, Fondation de l'entrepreneurship

### 5. *Technologies de l'information et des communications*

- **Henri Barki**, professeur titulaire, Chaire de recherche du Canada en implantation et gestion des technologies de l'information, Service de l'enseignement des technologies de l'information, HEC Montréal
- **Izak Benbasat**, professeur, Chaire de recherche du Canada en gestion de la technologie de l'information, Sauder School of Business, The University of British Columbia
- **Patrick Des Marais**, président, GlobeImpact
- **Barrie Nault**, « David B. Robson Professor », Informatics Research Centre, Haskayne School of Business, University of Calgary
- **Jeffrey Parsons**, vice-doyen à la recherche et professeur, Faculty of Business Administration, Memorial University of Newfoundland

- **Blaize Horner Reich**, professeure RBC en technologies et en innovation, Faculty of Business administration, Simon Fraser University
- **Pamela Ritchie**, doyenne, Faculty of Business and Information Technology, University of Ontario Institute of Technology
- **Suzanne Rivard**, professeure titulaire, Chaire de gestion stratégique des technologies de l’information, Service de l’enseignement des technologies de l’information, HEC Montréal
- **Leonard Waverman**, doyen, Haskayne School of Business, University of Calgary; « Fellow », Center for Management Development, London Business School

6. *Chaîne de distribution et logistique*

- **François Bellavance**, professeur titulaire, Laboratoire sur la sécurité des transports (CIRRELT), Service de l’enseignement des méthodes quantitatives de gestion, HEC Montréal
- **Teodor Gabriel Crainic**, professeur, ESG – UQAM
- **Michael Florian**, professeur émérite, Faculté des arts et des sciences, Université de Montréal; président, INRO Consultants, Montréal
- **Gilbert Laporte**, professeur titulaire, Chaire de recherche du Canada en distributique, Service de l’enseignement des méthodes quantitatives de gestion, HEC Montréal
- **Hani S. Mahmassani**, professeur, William A. Patterson Distinguished Chair in Transportation, McCormick School of Engineering and Applied Science, Northwestern University
- **Lyne Vézina**, directrice des études et des stratégies en sécurité routière, Société de l’assurance automobile du Québec

7. *Énergie et environnement*

- **Tima Bansal**, professeure, General Management Faculty Discipline, Richard Ivey School of Business, University of Western Ontario; directrice générale du Research Network for Business Sustainability
- **Ian Clifford**, fondateur et président-directeur général, ZENN Motor Company
- **Romney Duffey**, scientifique en chef, Énergie atomique du Canada limitée
- **Guy Holburn**, professeur agrégé et directeur (Energy), Lawrence National Centre for Policy and Management, Ivey School of Business, Université of Western Ontario
- **Gord Lambert**, vice-président, Développement durable, Suncor Energy
- **Rick Peterson**, associé et chef, Responsabilité sociale de l’entreprise et durabilité, NATIONAL Public Relations
- **Sanjay Sharma**, doyen et professeur, John Molson School of Business, Université Concordia
- **David Wheeler**, doyen, Faculty of Management, Dalhousie University
- **Alexander Wood**, directeur principal, Politique et marchés, Sustainable Prosperity

8. *Gestion de la santé*

- **Léonard Aucoin**, président, Info-Veille Santé
- **Karen Golden-Biddle**, professeure, Everett W. Lord Distinguished Faculty Scholar, School of Management, Boston University

- **Samia Chreim**, professeure agrégée, École de gestion Telfer, Université d’Ottawa
- **Lise Lamothe**, professeure agrégée, Université de Montréal
- **Steven J. Spear**, « Senior Lecturer », Massachusetts Institute of Technology, MIT; membre du Institute for Healthcare Improvement

#### 9. *Responsabilité sociale des entreprises*

- **Yolanda Banks**, conseillère principale, Responsabilité sociale des entreprises, Exportation et développement Canada
- **Jim McArdle**, vice-président senior, Services juridiques et secrétaire, Exportation et développement Canada
- **John Peloza**, professeur adjoint, Faculty of Business Administration, Simon Fraser University
- **David Saunders**, doyen, Queen’s School of Business, Queen’s University

#### 10. *Gouvernance*

- **Yvan Allaire**, professeur émérite de stratégie, UQAM; titulaire fondateur de la Chaire Bombardier en gestion des entreprises transnationales; professeur associé, HEC Montréal; président de l’Institut sur la gouvernance d’organisations privées et publiques
- **Besma Momani**, « Senior Fellow », Centre for International Governance and Innovation; professeure adjointe, University of Waterloo
- **Gilles Paquet**, professeur émérite, École de gestion Telfer; « Senior Research Fellow » au Centre d’études en gouvernance, Université d’Ottawa

#### 11. *Éthique*

- **Hubert Bolduc**, vice-président, Communication et affaires publiques, Cascades Inc.
- **Wesley Cragg**, professeur émérite; directeur et enquêteur principal, Canadian Business Ethics Research Network, CBERN, Schulich School of Business, York University
- **Michel Dion**, professeur titulaire, Chaire en intégrité financière, Faculté d’administration, Université de Sherbrooke
- **Tracy-Ann Lugg**, vice-présidente régionale Québec, Adecco Canada Inc.
- **Thierry C. Pauchant**, professeur titulaire, Chaire de management éthique, Service de l’enseignement du management, HEC Montréal

#### 12. *Organismes sans but lucratif*

- **Charles Guindon**, directeur du développement, Secteurs habitation communautaire, environnement, financement et capitalisation, Chantier de l’économie sociale
- **Michael Hall**, vice-président à la recherche, Imagine Canada
- **Louis Jolin**, professeur et directeur, département d’études urbaines et touristiques, ESG-UQAM
- **Sybille Mertens**, directrice de recherches, Centre d’Économie Sociale, Université de Liège

*13. Entreprises innovantes : jeux vidéo et arts*

- **Francis Baillet**, vice-président, Ressources humaines, Ubisoft Montréal
- **René Barsalo**, directeur, Recherche et stratégie, Société des arts technologiques, SAT
- **Patrick Cohendet**, professeur visiteur, Service de l'enseignement du management, HEC Montréal
- **Roger Parent**, président et idéateur, Réalisations.net
- **Laurent Simon**, professeur agrégé, Service de l'enseignement du management, HEC Montréal