



University of Navarra

A NEW CONCEPTION OF WORK AND THE
INDIVIDUAL IN THE ENTERPRISE OF
THE 21st CENTURY

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1.- Preamble

We are privileged actors –without being too aware of it– in a process of radical change that is mercilessly destroying all of the paradigms that have been as our guiding lights for thought and action in the last 40 years.

The economy is immersed in a period of rapid change that is forcing all of the factors to “relocate themselves”, as a consequence of technological progress, a more transparent market and better informed customers. This process necessarily requires business organizations to adapt to a world without frontiers in which competition has stiffened considerably and profit margins have narrowed drastically.

In order to find valid answers to the new challenges that are appearing with unaccustomed speed and boldness before us, one must have the caution and the audacity of the person well-versed in reality. I have never understood as well as now just how close together caution and audacity are (we could say that there is no caution without audacity, and that without caution audacity would be rashness); we need both to progress safely in this process of radical transformation that it has been our lot to experience on the threshold of the new century.

If we are to progress in any new paradigm able to direct company organization and management in the closing years of the 20th century, we must first understand properly the factors that are shaping business reality. It is for this reason that I have begun this paper with an analysis of the most important variables that are affecting the business world, subsequently using these variables as a platform on which to propose a new vision of work and the individual, one that is becoming increasingly widely accepted and followed.

2.- The present environment: main variables

The globalization of the economy, the weight of service companies, the new conception of industrial companies, the new rule of the market and customers, the entry of a new generation bringing new attributes to the labour market, the new emerging values that are permeating society – these are the key aspects that are guiding us, once they have been understood and assimilated, towards a true transformation of the conception and functioning of organizations.

2.1.- The globalization of the economy

This is something more than a cliché. “Global village” is a very apt expression that is used to describe the present status of our world and its economy, the vision of a more open and more informed society, with greater freedom for individuals, for capital movements, and for goods and services. *In short, a more universal, more approachable, more familiar and more exciting society.*

Markets are expanding, customs barriers are disappearing, the competition between companies is becoming stiffer. At the same time, customers are becoming more demanding; they are better informed and they have a wider and better choice. The single market in Europe, with more than thirty-five years of existence behind it, is broadening its field of action –both quantitatively and qualitatively– with the inclusion of new countries and new agreements that go beyond the purely economic sphere to include areas of social and political action. The economic union in North America between Canada, the United States and Mexico marks the beginning of a process that will have enormous consequences for the world economy –as we have seen with the “tequila” effect– and whose most important consequences have yet to manifest themselves. The creation of the Mercosur in South America, with the initial driving force of countries such as Argentina and Brazil, will ultimately lead to the creation of a major new bloc in world trade.

It is true that these unions are progressing more slowly than expected due to the innumerable economic and political problems raised between the different countries. But the dice are thrown and there is no going back. As things stand at present, it is unthinkable for a country to base its strategy on isolation, remaining aloof from the world’s grand scenarios, and hope to survive for any significant period of time without creating a situation of dependence in which it becomes de facto a subject state.

2.2.- The evolution of the basic sectors

When analysing the present transformation process, one of the first points we should consider is the changes that the basic sectors of our society’s economy have undergone. The first striking fact is the spectacular decline of the industrial sector to the benefit of the services sector. It is as if we were witnessing the ultimate vengeance of the agricultural sector against the all-powerful industrial sector through the services sector. One has only to look at the percentages to realise just how dramatic this change has been.

Percentages of the employed population, by sectors, in Spain

	1964	1974	1985	1992	1994
Agricultural sector	36	24	18	10	9.4
Industrial sector	24	27	25	22	20.8
Construction sector	8	10	7	10	9.4
Services sector	32	39	50	58	60.1

Source: Instituto Nacional de Industria (National Institute for Industry).

**Percentages of the employed population, by sectors, in Europe
1990**

	Italy	Germany	United Kingdom	France
Agricultural sector	9	3.7	2.2	6.2
Industrial sector	32.4	40.1	32.1	29.6
Services sector	58.6	56.2	65.1	64.2

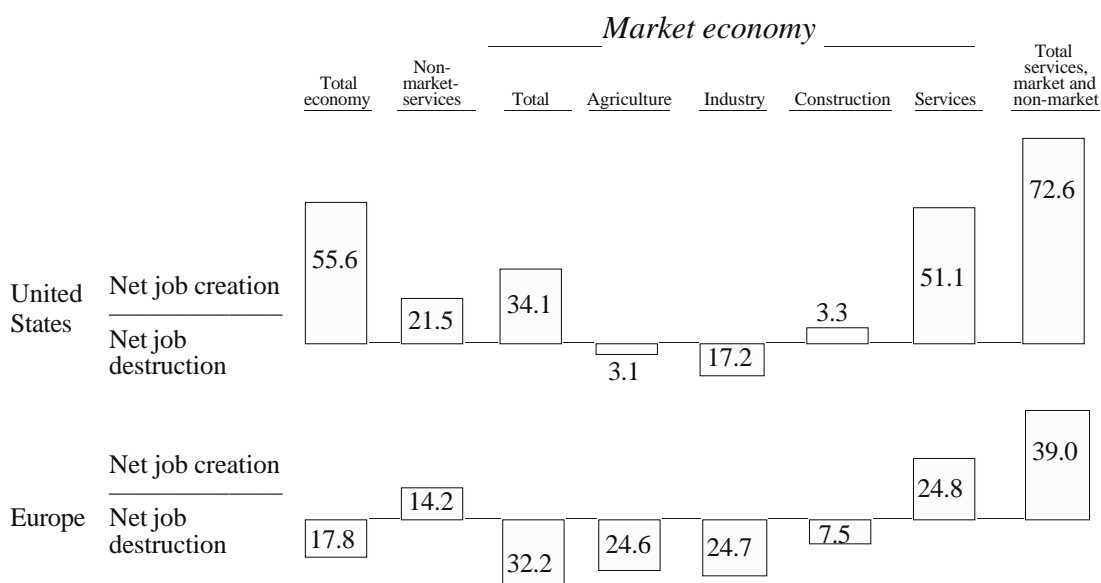
Source: Industrial Relations and Social Affairs of the EC Commission.

But there is more to it; in addition to losing weight, both in absolute and in relative terms, the industrial sector is also undergoing a large-scale technological and conceptual transformation. The traditional models of the classic mass-production industrial company, of the production line, of unskilled workers producing large runs for stock, have been broken asunder. The assembly line, as it has been conceived until now, is in the process of becoming extinct; the process's technical requirements are leading to increased worker professionalization and versatility, and teamwork is enriching the content of the functions to be performed, while at the same time maximising the integrating force of the work group; the pace of production is now being set by the customer and not by the machine.

The voice of command now comes from the market, that is, flexibility, versatility and adaptation to market requirements. It is a trend that is transforming industrial companies in a deliberate and organized fashion, with the companies in the automobile industry, as usual, spearheading the changes.

In recent years, service companies have become increasingly important in the OECD countries; from being a mere complement to the industrial and construction sectors, they have come to channel the major part of economic activity. By way of illustration, in 1991, services accounted for 77% of the North American economy's employment and 74% of its value added.

**Evolution of employment by sectors, 1980-1990
Jobs created per 1,000 people of working age (15-64 years)**



The immediacy of customer contact, work in units and in small, geographically dispersed centres, the increased diversification and enriched content of the different tasks, the temporary nature of most employment contracts, and the entry of women (who adapt to this type of work better than men and who find part-time and intermittent permanent contracts better suited to their circumstances) into the labour market paint a picture for which there has been no parallel until now.

On the other hand, the services companies find themselves forced to continually adapt to customers' demands and requirements –as they are in direct contact with them– which, in turn, creates a need for greater organizational flexibility and, in many cases, a greater flexibility in the duration and distribution of working hours during the year. Working on Saturdays, for example, when having Saturdays off has been hailed as a social victory, requires a change of mindset that is not at all easy if one does not understand the basic nature of the market and competition. Until fairly recently, the market's laws were dictated by the producer; but now, they are dictated by the consumer. (And it was about time the consumer had a go, since he has had to put up with what he got, when he got it, without any chance of complaining.)

With the market wide open and the pressure of competition, companies have started to discover the customer: the “long-suffering consumer” now becomes the universal centre of attention. One thing is starting to become clear: a company either adapts to the market, that is, to the customer, or it simply fades away. It is that easy to understand and that complicated to assimilate for the parties concerned, who never quite seem to manage to progress towards a genuine transformation of attitudes among all of the company's components, from the top executive to the lowliest employee, including the managers and the unions.

2.3.- The labour market

At present, the Spanish labour market is marked by: a new generation coming onto the market, the severe effects of unemployment, the entry of women, and a greater quality in labour supply and demand.

a) The new generation

The transition from one generation to another is not something one can see happening. The fifteen years that, according to Ortega, separate one generation from another normally pass without there being any particular time at which one can say that a break has taken place. Rather, there is a continual evolution that slowly spreads until it becomes completely generalized. The truth is that we think very little, in companies, about the effects of a change of generation, until we are suddenly hit by it when it has already run its course.

It would seem that we like to be pulled along by the tide of social events, arriving late or at an inopportune moment and looking for solutions “by decree” that do not reflect the new reality. Companies adopt a very conservative stance in human and social matters. It is as if we were “paralysed” by an excess of caution, a lack of boldness and confidence. In my opinion, we need to cure an underlying complex that still hounds the entrepreneur and makes him feel the need to seek forgiveness, as if his work was going against the social stream. Just one example to illustrate this statement: we are “ashamed” of calling the company's result its profit. We have to call it a “surplus”, as if we had to apologise for managing the company well and earning money, as if earning money was intrinsically bad and antisocial. This is

where the so-called “social democratic culture” has taken us. So, to get back to our point, one cannot manage a company as if it was separate from social evolution. One must keep pace and not fall behind.

Have we ever stopped to think that the people entering the Spanish job market today have no memories of the previous political regime? That is, they are a new generation in the full meaning of the word, a generation that has been born into a democracy and whose background and experience is crucially different. Their aspirations, values and ambitions are no longer the same. The individuals that make up the new generation seek in the company –as a centre of economic and social activity and the place where they will spend the best part of their life– the possibility of realising their fundamental aspirations, which are clearly different from those that have prevailed until now.

b) Unemployment

Unemployment is the effect of economic imbalances, both worldwide and in the Spanish economy in particular, and has been for quite a number of years. Spain has had unemployment levels approaching 25% of the labour force, which means that one out of every four Spaniards of working age has seen his life project nipped in the bud and some of his dreams dashed to pieces. Thus, the priority goal of any government programme and all social agents must be to combat unemployment on all fronts. We must unite forces, leaving to one side private interests, in favour of the general interest.

Changes in unemployment in Europe

Countries	Labour force 1990 (in thousands)	Labour force (in percent)	Unemployment rate (in percent)		
			1987-1989	1991	1992
Germany	29,829	47.6	6.1	4.2	4.5
France	23,929	42.4	9.9	9.5	10.1
Italy	23,744	41.7	10.9	10.0	10.2
United Kingdom	28,133	49.1	8.7	9.1	10.8
Spain	15,021	38.6	18.9	17.0	20.1

In Spain, the labour force in 1994 amounted to 15.5 million people and the number of unemployed amounted to 3,751,000 people, which is almost 24% of the labour force. Compare this situation with the early 1970s, when the unemployment rate was about 3%.

The Spanish unemployment rate is much higher than that of other Western countries. In the mid-80s, our unemployment rate was the highest among the OECD countries, and in 1992 it was the highest in the European Community. Recently, the Economic and Social Council, in its *Report on the Socioeconomic and Employment Situation in 1994*, pointed out that 730,000 jobs were lost in Spain between 1976 and 1994, with the number of people in employment falling from 12,514,000 in 1976 to 11,787,000 by the end of 1994.

The lost jobs have been concentrated in the primary sector, which has lost more than 1.5 million jobs since 1976; in industry, 437,000 jobs have been lost; and in construction, 130,000 jobs have been lost during this 18-year period. The increases in employment have taken place primarily in the public administration, with a growth of more than 1.06 million jobs; in financial institutions, insurance companies, services to companies, and rentals, which

have increased their employment level by 340,000 jobs. The catering and hotel industry created 277,000 jobs and commerce created 240,000 jobs. In short, it is the services sector that is driving employment, in addition to the government services; in the last 10 years, only 1 million jobs have been created in Spain and 82% of these have been in government services.

A lot has been written about the harmful effect that the “Welfare State” model has on job creation: the high cost of severance payments; excessive job protection; generous and long-lasting unemployment benefits; functional and geographical rigidity; the excessive weight given to the fixed component of the wage structure; trade union resistance to changes in working conditions; the cost burden of the Social Security system borne by companies, etc.

There seems to exist a strong correlation between the level of regulation of the labour market and unemployment. If we analyse the American system and compare it with the European system, the former is the one that has obtained the best results; for the moment, it is the country where most employment has been created in the last decade, where the unemployment problem is least severe and where the individual worker is least protected. Many also believe that the European “Welfare State” in general and the Spanish welfare state in particular is untenable and is starting to show signs of strain. But it is also true that a sharp change in economic model needs time to allow people to adopt a new mentality that enables them to assimilate the social and political implications.

<i>Mean duration of unemployment, in months</i>		<i>Duration of unemployment in percent of unemployed workers</i>			
United States	2.5	More than 1 year	12	44	More than 1 year
Sweden	3.8		9		
Canada	3.7	6 months to 2 years	79	20	6 months to 1 year
Japan	5.0				
Norway	4.7				
United Kingdom	8.7				
Australia	7.6	Less than 6 months	36	36	Less than 6 months
Denmark	17.0				
Germany	14.2				
Holland	19.5				
France	22.5				
Belgium	23.3				
Ireland	29.2				
Italy	38.9				
Spain	42.3				
		United States		Europe	

Source: «OECD Economic Outlook», December 1994.

In order to maintain and create jobs, it is vital to ensure continued economic growth and competitive companies. Together with strictly economic measures, other measures must be addressed within the framework of industrial relations (5) that will enable the company to adapt itself on an ongoing basis to market realities.

c) The entry of women

In recent years, a phenomenon - which has still not been studied in detail - has taken place which is having a notable effect on the labour market: the massive entry of women. This is not only a quantitative phenomenon - which it certainly is - but it also has a number of qualitative aspects that must be considered and deserve study. The features that delimit women, their aspirations, limitations, abilities, etc., are clearly different from those of men. We must be aware of this and act accordingly. We should not forget that the transformation that is currently taking place is ruled to a large extent by the nature of the people who make up our labour market.

Spain			
1994	Labour force	Employed population	Unemployed population
Total	15,468,500	11,770,000	3,698,400
Women	5,861,200	4,003,600	1,857,500
Men	9,607,300	7,766,400	1,840,900

**Female workforce as a percentage of the total
workforce, 1960-1989**

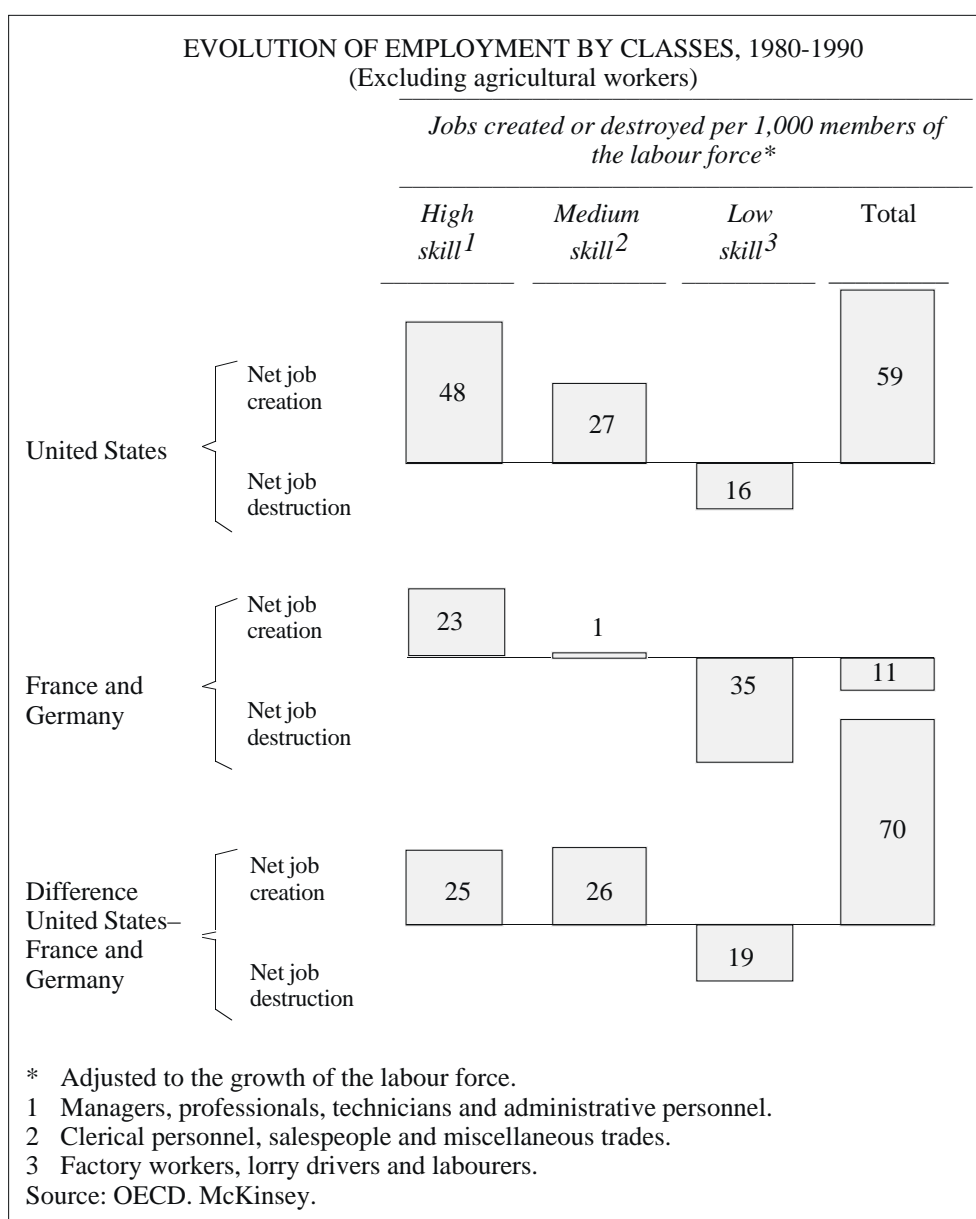
	1960	1979	1986	1989
Sweden	33.6	44.7	47.6	47.9
Germany	37.3	37.6	39.0	39.4
United Kingdom	32.7	39.1	41.0	42.8
France	33.3	39.4	42.0	42.8
Italy	30.7	32.8	35.5	36.6
Spain	21.8	28.6	30.5	34.1

d) Greater quality of labour supply and demand

The modern company features a growing mechanization and transformation of production processes, with the more repetitive jobs being gradually phased out, accompanied by a greater complexity and technical difficulty of the functions to be performed. In the "knowledge" society we live in today, we are becoming increasingly dependent on people's skills, on their creativity and initiative, which requires something more than the classic repetitive physical effort we have been used to until now.

Nowadays, the labour supply is more specialized and demanding. People are no longer prepared to settle for the passive, routine role that has been assigned to them until now, but come to companies better educated and with new professional aspirations and ambitions that they wish to fulfil in the performance of their work. They need to find challenges that satisfy them professionally and give meaning to the work they are doing. The higher skill level of the labour supply is matched by the increased quality of the demand.

However, in this area, there are a series of mismatches that are becoming ever more apparent. The increase in the standard of living has raised families' aspirations; they want their children to have a university education and thus enjoy a higher social status and greater economic and professional opportunities. The result is becoming very clear: there are too many mediocre university graduates who cannot find any openings on the labour market and there is a shortage of well-trained people with a trade, who, today, are as scarce as they are necessary. Unlike the United States and most other European countries, Spain has not been able to raise the social prestige of these middle-level technical professions nor to find a substitute for the old "apprentice schools" that were run by the large companies and trained young people in the different trades and specializations.



2.4.- The new values

a) Dominant values

True change processes are founded on the values embodied by society, which are manifested in the people and institutions of which it is composed. It is not easy to scientifically prove what values are in use at any particular time in a particular society; however, we all contribute to them and feel them to be our own. The acid test that confirms the validity of these values is whether we identify with them so clearly and obviously that no one dares to question them. Thus, we will venture into this ethereal - and yet very real - world of values by choosing those that are unquestionable and grouping them under two main headings: institutional values and personal values.

Institutional values refer to the world of ideologies - which the political parties adopt with a view to putting them into practice - and serve to give shape to a certain way of conceiving society, co-existence, the role of the State and the ordering of institutions.

During the second half of the 20th century, the world, and Europe in particular, has followed a current of more or less democratic - depending on the case - socialist ideas, legitimised by the control of political power and by the nature of the social and economic world of the time.

When communism discredited itself and socialism embarked on the logical erosion between the world of ideas and the world of realities, a new name was invented, social democracy, which gave birth to the famous "Welfare State".

Let us analyse the values that have been extolled by socialism and that have held sway for all these years. Subsidy, benefit, egalitarianism (irrespective of effort, performance and responsibility), disproportionate growth and bureaucratization of the public sector, state planning of the economy, predominance of the public education system, free health care for all, a pensions system based on inter- and intragenerational solidarity, unemployment benefits and, finally, an increase in taxes, which were the instrument for redistributing wealth towards the groups in greatest need.

While acknowledging the goodness of many of these social achievements, some of which must without doubt stay, it has to be said that we have started to walk along the dangerous path of expecting all of the solutions to our problems to come from the State and not from our own initiative and personal responsibility. The famous saying of J.F. Kennedy: "Don't ask what the State can do for you, ask what you can do for it" seems to be void of meaning at the present time.

In short, the "Welfare State" could be likened to a "tube": money collected from taxes is poured in at one end and comes out at the other to finance, among other items, social expenditure. The problems arise when there is no way of putting in more money (because there is no scope for higher taxation, because of the population structure, because of low company profits, etc.) and social expenditure continues to increase faster than the cutbacks in other budget items. Unfortunately for everyone, it is not possible to get more out of the "tube" than goes in.

Among the individual values that have developed in recent generations in Spain, we would single out the following: superficiality; the culture of power; the value of having; moral laxity (which in many cases leads to corruption); Maritain's "illusion of immediate

success”. Should we not reflect on the type of society that is created and nurtured under the shelter of these values?

b) Emerging values

In spite of everything that has been said, and precisely because of it, one feels with increasing force the need to bring forth new values, which are emerging with difficulty but with great energy, to give us back a capacity to appreciate a job well done, loyalty, generosity and, in particular, the sincere desire to live by an ethical code of conduct that favours peaceful co-existence.

A company’s success and its competitive advantages depend less and less on the wisdom or brilliance of its senior management and more and more on the initiative, creativity and enthusiasm of all of its members. This leads us to a moral contract between the company and its employees. Along these lines, Peter Drucker (6) states that “... management’s purpose is a human community which is held together by the link of working for a common purpose: it is concerned at all times with the nature of man and therefore, also, of Good and Bad. This means that in management there must be values, commitment, convictions, and even passion”.

On the other hand, the Pastoral *Constitution Gaudium et Spes* (n. 67) expresses the issue in the following terms: “In economic enterprises, it is people who associate together, that is, free, independent men... the active involvement of all in the companies’ management should be encouraged...”.

The new emerging values are indispensable for driving the transformation and change process we are currently immersed in. These values can be enumerated as follows: 1) *excellence*, understood as the commitment to always do things a little bit better than before: that is, a constant striving to improve; 2) *innovation and creativity*, the effort to find new ways of doing things, of learning - permanently - to look for unexplored and innovative paths with imagination and audacity; 3) *trust*, expelling the fear of taking risks and the tendency to doubt our abilities more than is dictated by prudence: only a system based on trust can generate a capacity for self-change and positive learning; 4) *loyalty*, to a cause, to a project, to others. This value is not only a personal attribute of individuals, it is also a systemic property, as there are organization systems and policies that nurture loyalty and others that destroy it; 5) *commitment*, as responsibility for the company’s present and future must be assumed not by a few but by each and every one of the company’s members. Everyone must share a global, coherent vision of the organization’s goals and functioning; and 6) *participation*, responsible participation, not a more or less enduring trend, but based on respect for the individual’s dignity and professional competence. Participation, understood in these terms, is a right and a duty that ennobles the individual, enriches knowledge and improves the quality of the decisions made within the company.

2.5.- Labour reform

The 1994 reform of Spanish labour legislation seeks to bring about a change in the conception of the employment relationship held until now, introducing a greater flexibility, placing greater emphasis on negotiation and, hence, on the parties’ freedom of will. It would be wise at this point to comment on some aspects of the reform that have a particular bearing on the approach presented in this paper.

The reform's first step in developing the employment relationship consists of approaching the organizational aspects and conception of work, in order to establish a basic reference or foundation on which the new labour relations framework can be built. This new organizational conception, which already exists in some companies, is no longer based on the inflexible job-person relationship but seeks to create a new binomial between work group and area of activity, with the purpose of formulating a different, more comprehensive and dynamic conception of work that promotes the ongoing development and mobility of all of the group's components.

The labour reform indicates the desirability of creating professional groups that may even group together some of the different occupational categories that exist at present, in the interests of greater flexibility and functional mobility, which are indispensable if the company is to function smoothly. The Act merely suggests the possibility but does not enforce it; it confines itself to opening up a new option that will enable the company to solve its problems. This approach is one of the reform's hallmarks providing a series of new options so that the social agents themselves, taking into account the company's particular circumstances, can adopt the solution that best fits their needs.

The reform puts back into the hands of the employer, without the need for prior government approval, the ability to decide about geographical mobility and changes in working conditions, while respecting the workers' legal rights. That is, the employer once again has the ability to make decisions on vital issues that have a decisive influence on the company's responsiveness.

So far, since the enactment of the labour reform, companies have found difficulties in applying it. As it is conditional, in many of its aspects, on what is agreed in negotiations, the reform is stymied by trade union resistance to modifications, except in return for other conditions that are often either onerous for the company or impossible to fulfil. Thus, one can readily distinguish between highly unionized companies, where the effect of the new legislation has been minimal, and less unionized companies with independent works committees, where it has been possible to implement some of the new measures.

It seems clear that, in practice, unless there is a change of mentality and attitude among both employers and trade unions, it is going to be difficult to put into practice and consolidate a new conception of labour relations in which flexibility, variable remuneration and productivity will be three indispensable premises in future collective bargaining.

3.- A new organizational and human approach

3.1.- The demands imposed upon the company

On the basis of the analysis made so far, we can conclude that *open markets*, *technological innovation* and *organizational flexibility* are the three basic issues that have rocked the economic world. The quantitative and qualitative growth of competition, the drastic shortening of products' life cycles and the shift of the centre of corporate attention from production to the market and customers have been the most immediate consequences of this revolution, which is forcing us to overhaul the seemingly unmovable principles that have guided us over the last fifty years.

Production no longer holds its traditional and all-powerful sway and must therefore adapt to the new market laws. The tranquil stream in which products and age-old companies have flowed is fast becoming a thing of the past. New forces are coming to the fore: risk, the endeavour to serve an increasingly demanding society and the need to operate in an increasingly competitive world where the slightest slip - in the product, in costs or in the service - will oust a company from its leading position in the market. Nowadays, there is nothing that lasts indefinitely nor favoured positions that are held because of name or tradition. Professionalism, prompt response, quality of service, the organizational “waistline” and the ability to adapt are the key factors for competing.

In short, the market, which has become supreme ruler of the situation, is demanding from us that: 1) we cope with an increasingly better prepared competition and more demanding customers; 2) we keep our products at the technological forefront within costs that enable us to compete; 3) we design flexible organizations that enable us to adapt rapidly to new market demands, and 4) we employ motivated people who are prepared to integrate themselves in a joint project, accepting professional challenge and service as their overriding rules of conduct.

3.2.- Towards a new organizational conception

It can be readily inferred from what we have said so far that we need to find a more flexible organizational conception for the company and to respond to the aspirations of individuals, who are seeking a higher degree of professional challenge within a project that makes sense to them. At stake is nothing more and nothing less than the company’s survival and the professional fulfilment of the individual. It therefore seems worth making the effort to find some new organizational principles and a new conception of work and the individual that are consistent with the economic and social reality in which late 20th century companies are moving.

The need to adapt arises, above all, from that most powerful of reasons, the company’s need to survive. *Hence the power, the rightness and the strength of this process, which is forcing us to renew the ideas and principles that guide our actions.* The traditional organizational model, which we will discuss in the next section, must disappear as soon as possible, so that we can bring ourselves face to face with the challenge of finding a new model.

There are at least four variables that are pushing towards a new organizational conception: *external demands*, which are pressuring companies to find a greater flexibility that will enable them to cope with the competition; *the expansion of participation systems in companies* (quality circles and participation groups), which have accumulated sufficient experience to enable companies to move on to a more advanced conception of participation: “teamwork”, whose most important feature is the discovery of the “natural working area” as an organizational anchor; *the new trends in labour legislation*, which eliminate rigidities left over from other times and promote practices and procedures that favour flexibility; *the aspirations and desires of individuals*, who seek a higher degree of professional challenge and the opportunity to develop their professional abilities to the greatest extent possible.

3.2.1.- The traditional organizational model

One fact is undeniable. Many companies, influenced by classic organization theory and the inertia of habit, continue to implement the organizational model, conception and

principles advocated by Taylor (7). Based on a mechanistic concept, these principles consider the individual as an instrument for production and do not take into account either initiative or creativity, which are subordinated to the “scientific principles of work”. The Taylorist theories on the division of tasks, organization of work and maximization of individual productivity have dominated thinking for almost a century and have had a significant influence on the development of modern industrial society.

Taylor’s ideas were applied in a society that could reap benefit from them; the vast majority of the workforce was unskilled or almost so, with a minimal or non-existent education, and the differences between social classes were so great that they affected all areas of daily life. In this context, the division of labour, specialization, the scientific study of tasks, job design, specialization in supervisory tasks, etc. found a favourable environment in which to grow and flourish, since productivity was increased, unnecessary effort was avoided and the quality of life at work was improved. At that time, the challenge of trying to optimize the organization as a whole was so enormous as to make the task impossible. This philosophy of management and work organization, which still prevails today, had been developed previously by Adam Smith (8).

As we continue our review of the literature on organizational systems, guided by the sure hand of Professor Ricart (9), our next stop is Weber (10) who, within the framework of the classic theory, expounds the main features of his bureaucratic model: 1) well-defined hierarchy; 2) division of labour by specialties; 3) a system of rules that define the rights and duties of managers and subordinates; 4) a system of procedures and methods for carrying out the tasks; 5) impersonal relationships that clearly separate the individual’s private life from his performance in the organization; and 6) recruitment and promotion mechanisms based on merits and skills.

Fayol (11) enumerates some principles of organization and administration whose influence is still felt today: 1) division of labour to facilitate specialization; 2) the association of authority and responsibility; 3) discipline as a result of good leadership, fair agreements and a judicious application of sanctions; 4) unity of control, which ensures that each employee has only one superior; 5) unity of management, which specifies that each goal has only one person responsible for achieving it; 6) subordination of individual interests to the common good; 7) fair compensation; 8) a suitable balance in the level of centralization; 9) a clear chain of command; 10) an order that ensures that people and materials are in the right place at the right time; 11) equity, which translates into amicable and fair treatment of employees; 12) job stability; 13) encouragement of initiative; and 14) “esprit de corps”, i.e. the workers must identify with the organization.

After Weber and Fayol, as time went by and society evolved, critics of the classic theory started to appear. Of these, the most salient were Selznick (12), the main exponent of the institutional school, along with other schools and authors such as: the human relations school, which harbours the theories of Mayo (13), McGregor (14), Likert (15), Roethlisberger and Dickson (16); the decision-making school, with Simon (17), March (18) and Cyert (19); the contingent theory school, whose chief exponents were Joan Woodward (20), Chandler (21), Lawrence and Lorsch (22); the school of organization configurations, represented by Mintzberg (23), Miller and Friesen (24).

All of these schools and theories contributed new approaches that marked a move forward from the Taylorist model of the conception of work and man. However, in our opinion, they do not quite succeed in viewing the company, work and the individual in a radically different way. We need to take a final step forward, among other reasons because

the models that are still being used are of no use for competing in the present environment; the superspecialization, rigidity and lack of professional motivation make it impossible to find the solutions that the modern company urgently needs. Maximization of individual productivity is not enough. The modern company needs to maximize the productivity of the whole, which is often impossible when the focus is on analysing the tasks performed separately by each of the individuals working in the company.

The task of global optimization –an impossible endeavour for Taylor– now offers very different features. The detailed analysis and design of work flows within the organization, and even between different organizations, is bringing about a transformation in industrial organization practices comparable to that brought about by Taylorism in its day. Along the same lines, championed by the consulting firms, the movement that advocates “re-engineering” (Hammer and Campy) is growing sturdily, seeking new formulas and ideas that will revolutionize systems of conceiving the company and respond to current reality.

3.2.2.- The impact of the “traditional model” on people

We do not realise just how much we have forced human reality to adapt to a so-called “scientific organization of work”, which seems to be the only way we have been able to find so far of making sure that the company achieves its goals. On the basis of this conception, a series of rules have been devised which people have had to accept, adapting themselves to the secondary role that has been assigned to them. This organizational conception goes against the individual’s natural state, against his very essence, and all of the working rules that have been derived from this conception are –logically– a mere consequence of it. Several generations have been forced to submit to a system in which people are limited to a seemingly incredible degree and are no longer treated as such, on the grounds of a so-called “organizational reality” and the “scientific principles” governing work.

Let us see where this approach has taken us. Let us put a person in a job and give him the following message: “Confine yourself to carrying out the requirements allocated to this job and specialize so that you can perform them as well as possible. Perhaps after a few years there may be a small chance of changing your job or being promoted. But I wouldn’t get too excited about it; the chances are you will carry on doing the same thing for most of your working life, which may last between 35 and 40 years.” The message is “encouraging” and promises “motivating” career prospects. We are going to learn, over a period of a few months, how to do a job that we will then have to keep on doing for the rest of our working life. And all this for the sake of business efficiency.

We are within a system in which we have “locked the individual into his job”, waiving, right from the outset: 1) functional mobility: the individual is neither professionally nor mentally prepared for it, nor, until 1994, has labour legislation provided the means for it; 2) personal flexibility and versatility, which enables people and jobs to be changed to adapt rapidly to market demands. Let us not forget that the rigidity and immobility created by the job-person relationship forces companies to recruit excess staff so as to be able to safely cover any absence; and 3) the aspects that set us apart as people: thinking, having ideas, creating, finding reasons to excel, and feeling useful and respected; in a word, finding a meaning in what we do.

The implacable reality of this organizational conception leads the individual: to avoid thinking too much; to endlessly repeat the same acts until they become a routine; to view only the limited horizon of the job itself, without looking any further; to forgo career

ambitions that might cause frustration; to settle for the financial remuneration offered; and so on. Now that we are firmly ensconced in this approach, let us try to make this person feel motivated. A simple analogy to illustrate this situation: we take a bird (which, as we know, has been designed to fly); we clip its wings on the basis of a calculated decision made by applying scientific criteria, and we then try by all means possible to persuade it not be downhearted and even to feel excited and motivated about not being able to fly. We are shutting in a cage a being that was born to live free. And we look after it and feed it properly so that it does not complain and is content. The end result for the individual is extremely depressing; not only have we “bored” him; we have also turned him into a weak being bereft of resources to face extreme situations on the labour market.

We can accept that the existence of the conception and the systems we have just described is justified by historical circumstances. But it is completely senseless to continue applying it, with minor variations, on the threshold of the 21st century amidst a dramatically different economic, social and political reality.

Nowadays, people are much better educated and trained: they have acquired a level of knowledge and experience that qualifies them to carry out more complex tasks. The standard of living attained and people’s current educational level lead them to strive for much more ambitious goals - professional excellence and personal fulfilment. The degree of participation made available in today’s democratic regimes leads the individual to want his work, which will take up most of his life, to offer him the opportunity to contribute, in a responsible manner, his initiative and creativity in an environment full of possibilities. Remuneration, which still seems to be the most important factor, recovers its true role when we discover professional competence, personal development and creative integration in projects that are useful to society.

Up until now we have taken the reverse approach: instead of conceiving of companies in the light of the basic features of individuals, we have “instrumentalized” people, taking from them that which forms their essence and placing them at the service of efficiency and profitability. *And now at last we realise that this state of affairs no longer helps us to compete in the current business environment. In actual fact, we are starting to “rediscover” the true value of the individual.*

3.2.3.- *A new paradigm: the natural working area*

The organizational conception of a company can be likened to the drawings of a building; these drawings provide the basis for configuring functions and jobs, and for all of the company’s activities. Therefore, if we do not revise the building’s drawings, that is, the principles on which the organization is founded, the chances of introducing significant changes in any of the fields become impossibly remote or a mere smokescreen for image purposes.

Time and time again, we confine ourselves to insisting on the need to flatten reporting structures, introduce a greater degree of delegation in decision-making, discover the “circular organization chart” or turn the traditional organization chart upside down to give an “inverted cone”. But, in actual fact, we are moving on rather fanciful and imprecise ground. It seems as if we do not really know what we want. Experience ends up showing that all of these ideas never get beyond the stage of lucubration, without leading to any concrete or practical progress.

We must act boldly, without falling into the trap of considering the conceptions of work and organizations as if they were “*immovable and beyond the reach of any change process*”. This is precisely our primary goal, because we know that once the rules of the organization system game have been made, all of the rest is forced to follow the rules and any room for manoeuvre disappears.

Our task, therefore, is to address the basis on which the entire organizational system rests. That is, the *description of functions* required for the normal performance of the company’s activities; the *definition* of the jobs required for these functions to be performed, and *the role assigned to the individual*. Only then will it be possible to advance without any limitations and with a sure step right from the beginning.

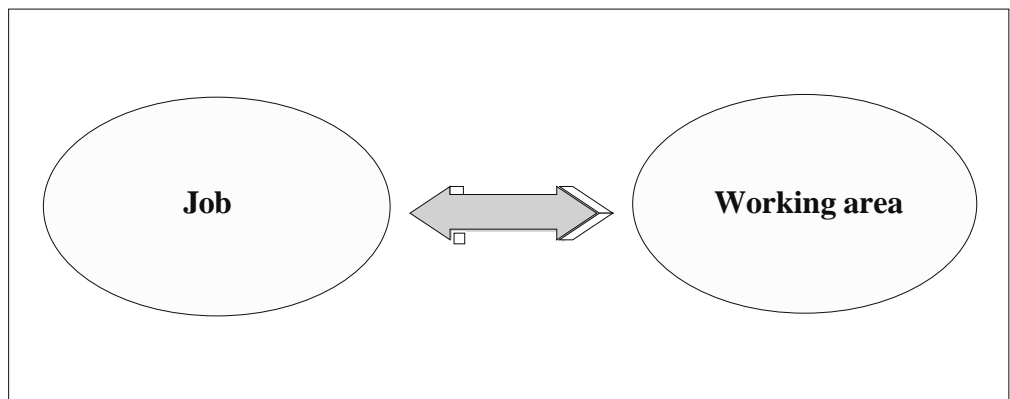
This approach offers us new and unexpected possibilities for acting; *the only thing we have to do is forget about the way things have always been done and question everything that needs to be questioned, leaving our mind open... without fear*. We are changing the essence of a conception, the drawings of the building, the traditional rules of the game and, therefore, freeing ourselves from all of its consequences.

a) *The conception of work*

We propose first of all to analyse the “functions manuals” that exist in a more or less formalized manner in any company and that delimit the functions, goals and even the mission *of each job*. We are crowning a “king” that ends up submitting all of us to its rule: “the job”. Around it will revolve the entire organization, all action policies and every rule of conduct.

We are faced with a conception and a culture that is based on the job and which seeks the greatest degree of specialization possible, in order to ensure adequate performance of the functions assigned to each job. The tasks are divided into the smallest units possible, limiting the individual’s field of vision and action, so that he becomes “entrapped” in his sphere of action.

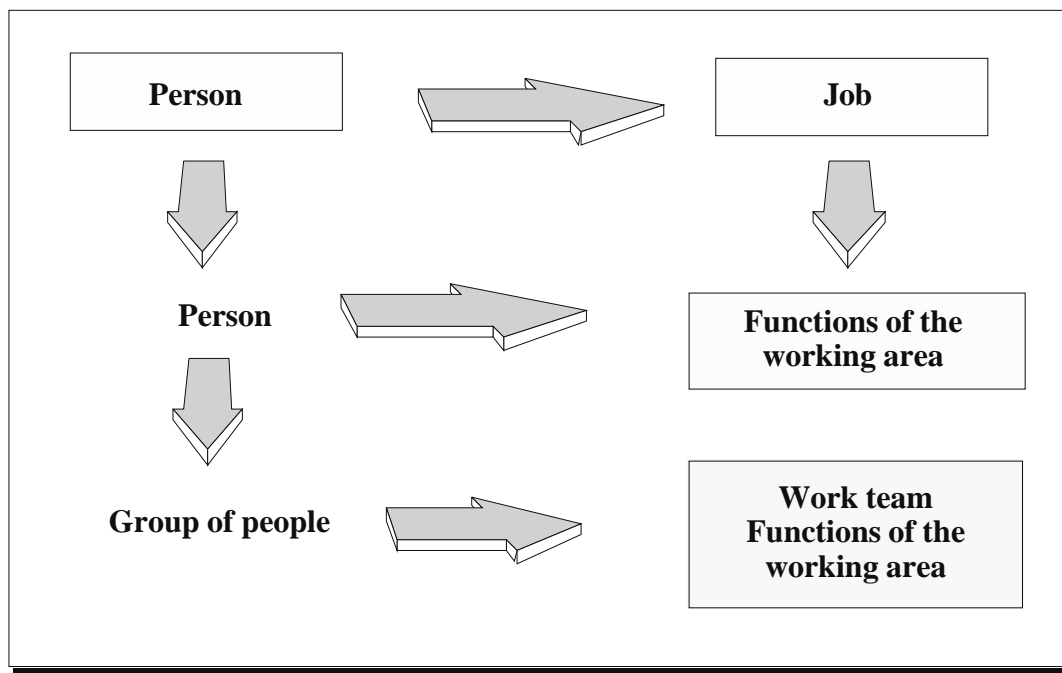
Towards a new conception of work



In order to free ourselves of this culture which places the job at centre of attention, we do not need to force reality or consider unknown and untried formulas. We have only to look at this reality in a different way. This different way of looking at reality will enable us to rediscover people. The job suddenly appears as what it is: something inert, limited and

routine that boxes people in, preventing them from having a broader and more enriching view. We have reversed the perspective. The job is now at the service of the individual. Jobs continue to exist, but their meaning is changed; we have put them back in the place that they should never have left and, what is more, we have grouped them, giving them a new, broader and more comprehensive dimension: the “natural working area”.

We have replaced the traditional organizational model, based on task division and specialization in the functions required by the job, with a new model that represents the same functions and the same jobs, but grouped in larger units. Instead of “a person” related to “a job”, we focus our attention on “a team of people” related to “a group of jobs” that make up a *natural working area*. Our gaze now goes beyond the job as it is conceived today to discover a horizon that is broader, richer, more meaningful and, above all, more integrative.



Defining the natural working areas is a simpler task than it may seem. The different jobs have as their nucleus an area which is charged with performing certain functions. We do not need to invent anything, but simply to look at the same organizational reality with more integrative eyes and discover the groups of functions that occur naturally. Thus, we can define the natural working areas as “an area composed of a series of tasks and functions that constitute a homogeneous, consistent and self-supporting whole”.

Having delimited the working area, specified its functions and defined the jobs that comprise it, we will take another step: entrust a “work team” with the responsibility of performing these functions. Each of the team’s members will start by focussing on certain functions and a particular job, but viewing them from the outset as part of a whole, with the firm intention of acquiring the necessary training and experience to be able, in the medium term, to perform any of the working area’s functions. Thus, our approach gives us consubstantially, almost without trying, the “long-awaited” *functional mobility and versatility, within the natural limits imposed by people’s basic abilities*; in other words, the flexibility that people are clamouring for in modern companies is achieved through versatile individuals who perform different functions without any type of formal or real limitation.

Attaining the model proposed here is not a new, miraculous formula that can be applied in the short term and in any situation, *but represents a new line of thought and action*. Versatility, the new system's keystone, needs time, training and willingness. The nature of the work, along with people's skills, attitudes and common sense, will set the pace and scope of implementation of the system. But we will have achieved the most important step: "ridding ourselves of a highly powerful and deeply rooted structural approach" to organizations and of a conception of work based on the predominance of the job.

We are now venturing on a promising and exciting path focused on the individual. The work and effort required to implement the new approach will depend, to a great extent, on the business and culture of each company. When the work performed is unskilled, simple or repetitive (assembly lines, administrative procedures, customer service, etc.) and there are no excessive training problems, the implementation process will be simple. When the jobs are more technical, more complex or more skilled, implementation will need more planning, more training and more time, as the rotation among the different functions will be more widely spaced and will require more careful thought. However, even in these cases, the line of thought and action proposed is just as valid, if not more so.

b) The role of the individual in the new approach

What is novel and important about this approach, as we have already said, is *the ability to observe current reality through different eyes*, offering the individual a broader field of action and a horizon that goes beyond the limits of the job. Not only are existing functions and jobs respected, so too is the individual's desire either to embark on this new path or to continue as he is, that is, linked to his job. As time passes, however, and new generations join the company, acceptance of this conception will become generalized within the company and the possibility of going on as before will no doubt tend to disappear.

The conception of work we have presented here places before our eyes a more open, integrative and multifunctional organization, which offers a greater field of action to the individual, who performs a variety of functions depending on market requirements. At the same time, the individual perceives a new path for career development and the possibility of taking part in a venture that he can be enthusiastic about. We place the individual –who alone can truly be able, creative and flexible– at the centre of the company's activity, putting him in the place formerly occupied by the job. This new conception carries with it a higher esteem for the individual, which is reflected in the respect for his freedom and dignity, based on a belief in the individual, in his ability to create, his maturity and his potential for enriching decisions.

The individual's needs and aspirations in modern society are fostered and protected. The individual is no longer an anonymous cog of a cold, remote wheel but a key element within a work team excited about a joint project. For such an organizational model to take concrete form, a favourable attitude on the part of employers and unions is indispensable – and it should be borne in mind that what we are talking about is not a more or less attractive invention but a real need of the business world.

c) Key ideas for implementation

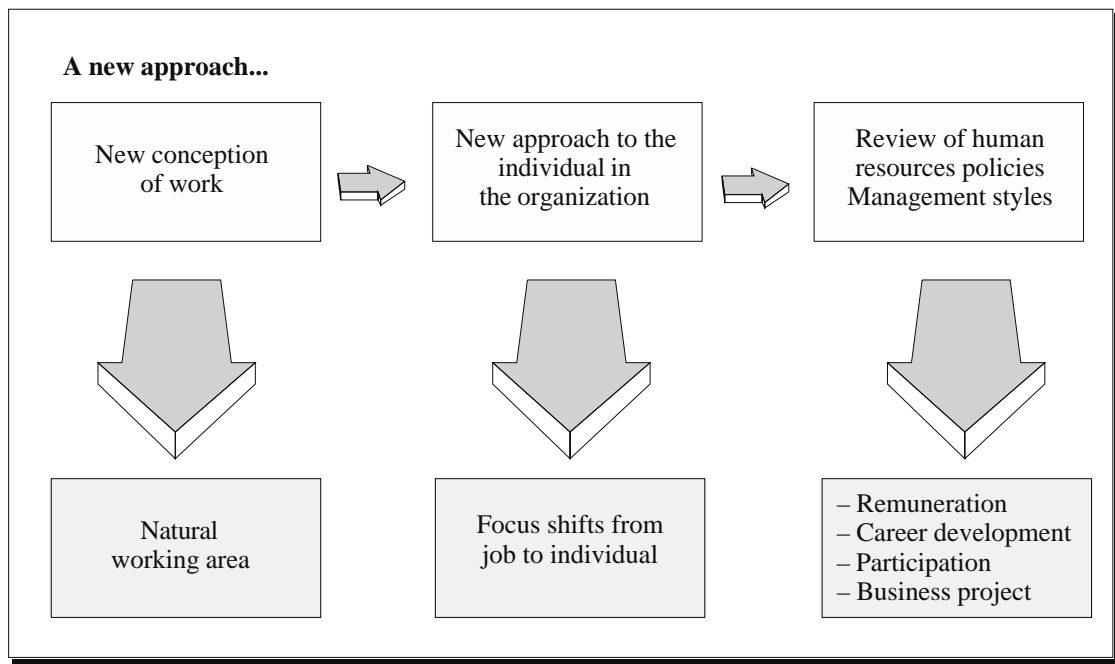
On the basis of a study of a number of companies, Davenport (25) points out a series of basic aspects that often occur when participative systems are implemented. Some

people, used to the traditional style throughout their working life, may resist taking on more complex and enriching functions. It is logical that this should happen in the final stages of a person's working life when he has not been educated to conceive of work in any other terms, and, of course, such people must be respected, as we have already said. The aim is not to force people to do something against their will but to offer them a new career horizon that will be reflected in their remuneration and career development opportunities.

These systems can also be manipulated by management when they are regarded solely as a means of increasing productivity, without realising that such systems appeal to people's highest motivations, which must not be cheated. In such cases, failure is inevitable as a result of the negative impact on employees' motivational quality after discovering a new form of instrumentalization. It is therefore important to find the true sense of this approach and not remain on the surface, confining ourselves to converting it into a series of techniques which, on their own, are never sufficient. Even today, there are still people –although their number is steadily dwindling– who cling to an outdated and *démodé* mentality, who still treat their famous “human resources” more as resources than as humans. This mentality must change if companies really wish to survive.

The process before us is neither easy nor superficial. Any system that we wish to implement must take into account not only what is done in the company and how it is done but also who it is done for and the meaning and values it embodies. The new systems generate new expectations in people, encouraging changes of attitude and motivation. These changes are deeper than may seem at first sight and may even be more profound than management expects. However, if he wishes to survive in an increasingly complex business world, the employer –with a greater or lesser degree of conviction– finds himself drawn towards creating a human team that is able to adapt swiftly and smoothly to market demands. Those who achieve this will have more chances of competing than those who comfortably continue along the traditional line.

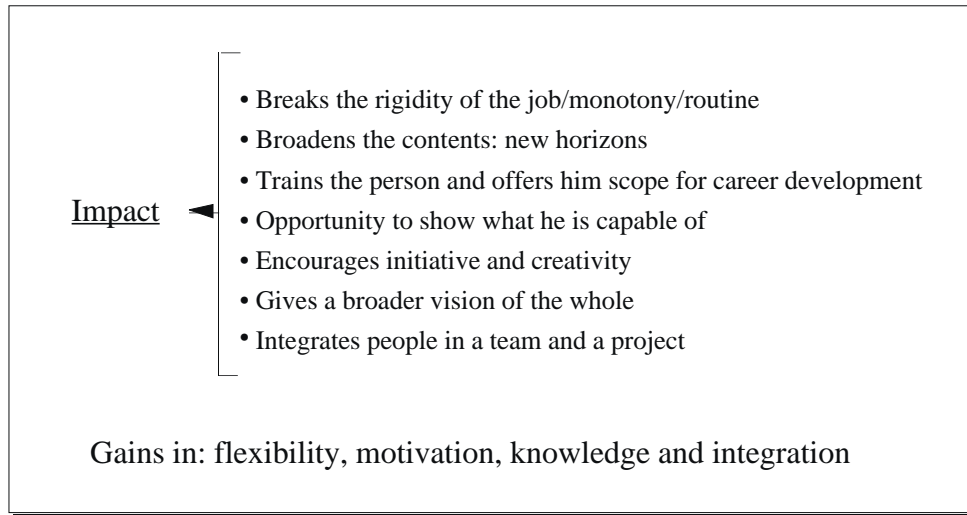
The approach we are suggesting is already being implemented in a significant number of companies. For this reason it is important to discover the theoretical principles that underlie the systems –still incipient– that are currently being implemented. Our aim is to continue working in this direction, strengthening the conceptual framework on which these actions are based and giving them an added impetus that will enable this new conception to be extended to all companies and all areas of activity.



The conception of the individual as a key element in the company, capable of thinking, contributing new ideas, devising new projects, etc., must be the true anchor for the implementation of any action. With this premise, it will be easier to find agreements with the unions that, while recognizing everyone's rights, also give greater prominence to a shared responsibility to see a project through that will make the company more competitive. We cannot paralyze decision-making or create a bureaucracy that prevents a rapid, effective response for the sake of maintaining a series of prerogatives that belong to another time and another mentality.

We have dared to shake the foundations of the organizational conception that has guided us until now, and the enormous energy released forces us to reconsider our entire conception of the company, work and people. We have also seen that *we have arrived at this approach in response to a vital need felt by modern companies and not through purely humanistic reasoning*. The result may be the same, but this way it is much more consistent and has more chances of success. We could have reached the same conclusions by following a purely humanistic line of argument, which would give added strength to the conception and importance of the new system. But the initial thrust - let us be clear about this - must, if we want it to really "take", come from companies' need to survive. Once it is in motion, however, it will not last for very long if we do not fully grasp the human aspect of the proposal.

The new organizational conception



3.3.- *The implications for human resources policies*

We have seen that this new organizational approach leads to a different definition of tasks and the way to organize them. *The centre of attention has been shifted from the job to the person.* This change has a direct impact on the way people are managed and motivated, that is, on human resources policies. When we discover a new dimension to the individual and his role in the company, we are obliged to carry out a complete reexamination of all policies, practices and procedures we have been using until now in human resources, particularly with regard to the remuneration, training, promotion, career development and participation systems.

Although subsequent papers will deal with each of these policy areas in depth, adapting them to our new paradigm, we do not want to conclude this paper without revealing the most important aspects that will govern our line of thought on each issue.

3.3.1.- *Remuneration policy*

Any remuneration policy is based on the organizational conception of the company, both when deciding the items that the remuneration is to be composed of and when fixing the wage level. At present, most companies use systems –which are more than 30 years old–based on the job (job assessments became fashionable in Spain in the mid-60s) and on its functions and responsibilities. Thus, the aim is to order the different jobs according to the relative importance of the contribution made by each one to the performance of the company’s activities. This classification is obtained by the old and well-tried procedure of “job assessment”, whose chief exponent is the method developed by the HAY consulting firm, which has become the most emblematic.

In these assessment systems, the first step is to describe the contents of the jobs, which gives us the so-called “functions manual”. Next, the “assessment manual” is drawn up;

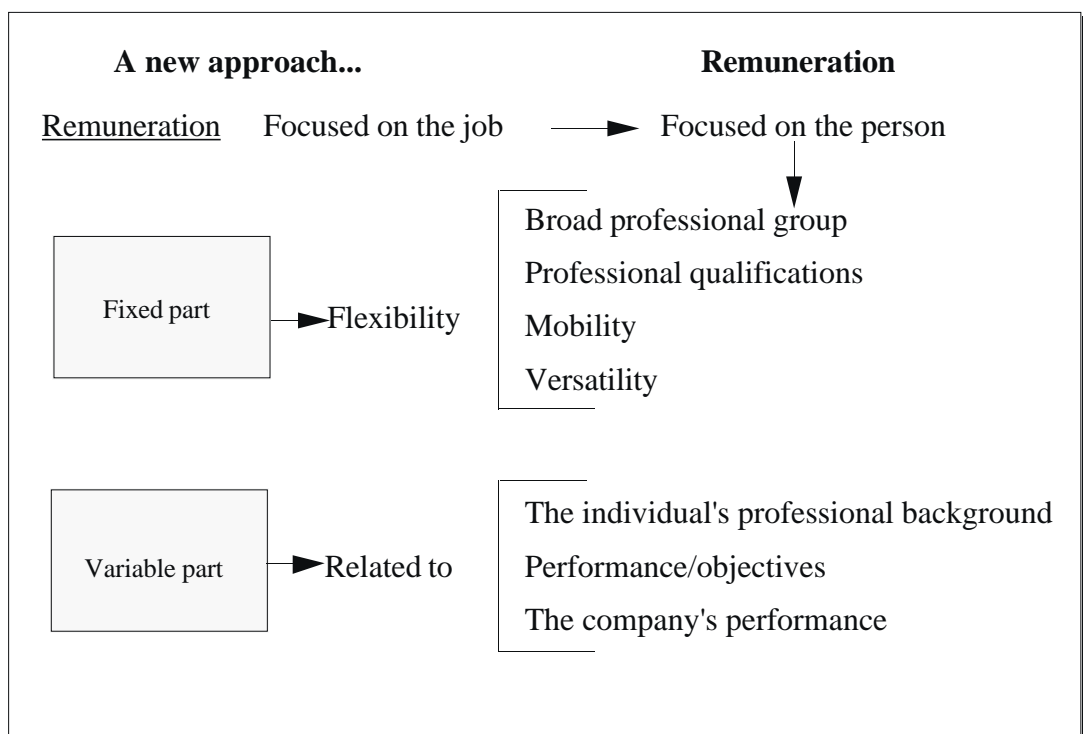
this contains the measuring factors that have been chosen and their corresponding weighting, and the division of each factor into degrees of intensity. After that, an assessment committee assesses each job and finally groups them into different levels, which will be used when deciding on wages and salaries.

The assessment will provide us with the basis of our remuneration policy. The fundamental element of assessment systems, therefore, is the job, and their essential and immutable law is to “forget about the individual at all costs” and think only about the job (which in practice they never succeed in doing). The weighting of the different factors that make up the assessment manual and the committee’s assessment criteria depend on highly subjective parameters, which end up having a decisive influence on the final result.

On the basis of the new approach we have just introduced, it seems logical that when we shift the centre of attention away from the job, we need “a new base” on which to build a coherent remuneration policy. This base can only be provided, within the new organizational system, by its new centrepiece: “the person”, and his professional ability to adapt to different functions, his attitude and motivation, and his performance.

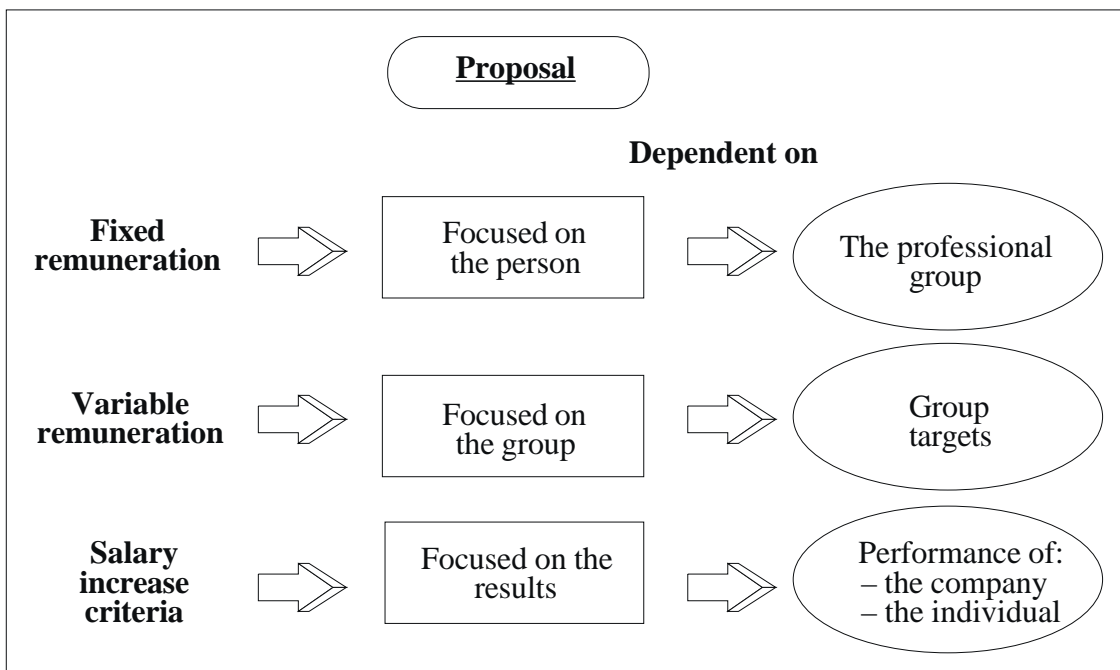
Thus, we design a scheme based on broad professional groups that facilitate mobility and versatility and are fully able to provide a person with career opportunities throughout his working life. We swap the focus imposed by the job assessment - “forget about the person at all costs” - for another, very different principle - “forget about the specific job and concentrate on the person, his abilities, his performance and his professional growth”.

The consequences could not be more dramatic: the individual recovers his true role, he feels more in control of his future, and the development of his own career is brought within his reach. The items that go to make up the fixed part of his remuneration will depend on the individual’s career, which will be reflected in the definition of the different professional groups.



Attitude, individual motivation, the performance of the team and the performance of the company will constitute the spectrum of variable items within the remuneration, which, as their name indicates, would have to be adapted to the specific situation prevailing at any particular time.

Individual, team and company are the three basic reference points when supplementing the fixed remuneration and putting it into proportion with the actual results achieved. Remuneration is something that we must earn with our professionalism and our personal and collective effort; it is not something to be given for nothing, but must be given in return for productivity, value added and service. It is precisely in the area of the variable items that a lot of work remains to be done. We are unable to find the right procedures or the system to implement them so that they do not lose their essence and end up becoming, in practice, more or less “covert” fixed items. This interesting issue will be discussed more fully in a forthcoming paper on remuneration.



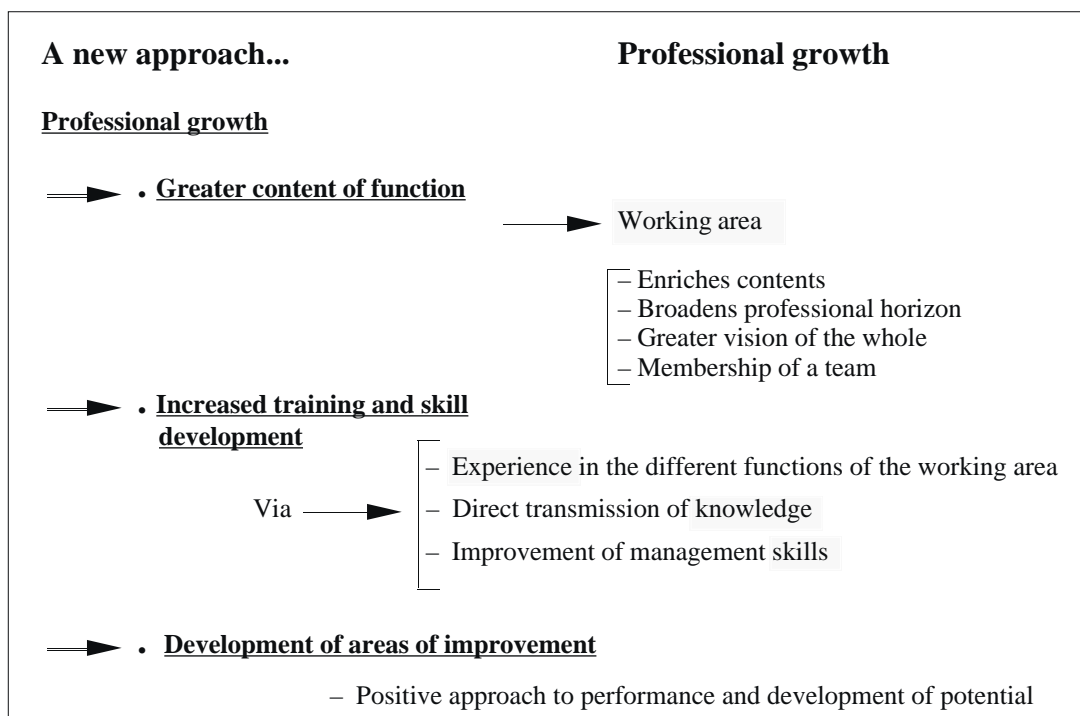
The trend in recent years in Europe has been to consolidate most of the variable remuneration in fixed items. This has been due, on the one hand, to union pressure and, on the other, to the inability to find practical formulas (except in the case of sales forces) that would make the variable items genuinely variable. If we look at two of our neighbours, France and the United Kingdom, we see that in France there are two bodies of legislation on collective incentives: the participation programme, which has been in operation since 1967, and the “*intéressement*” programme, which has been functioning since 1990. The former is compulsory for all companies with more than 50 employees. The basic parameters for setting the incentive are based on the net profit above a return on assets of 5% and the ratio between gross aggregated wages and value added generated. The sums released under this system are held in a savings plan for five years in order to be eligible for the corresponding exemption from Social Security contributions. The “*intéressement*” programme is more optional and is set between employers and union representatives.

In the United Kingdom, more than two million employees are covered by the inland revenue profit-related plans. These incentives link remuneration with productivity. In Spain, the legislative environment has become more open since the labour reform of May 1994, to enable the proliferation of new incentive schemes that link remuneration to individual performance and company profits, in spite of the staunch defense of fixed remuneration by the “trade union mentality”.

3.3.2.- Promotion and career development policy

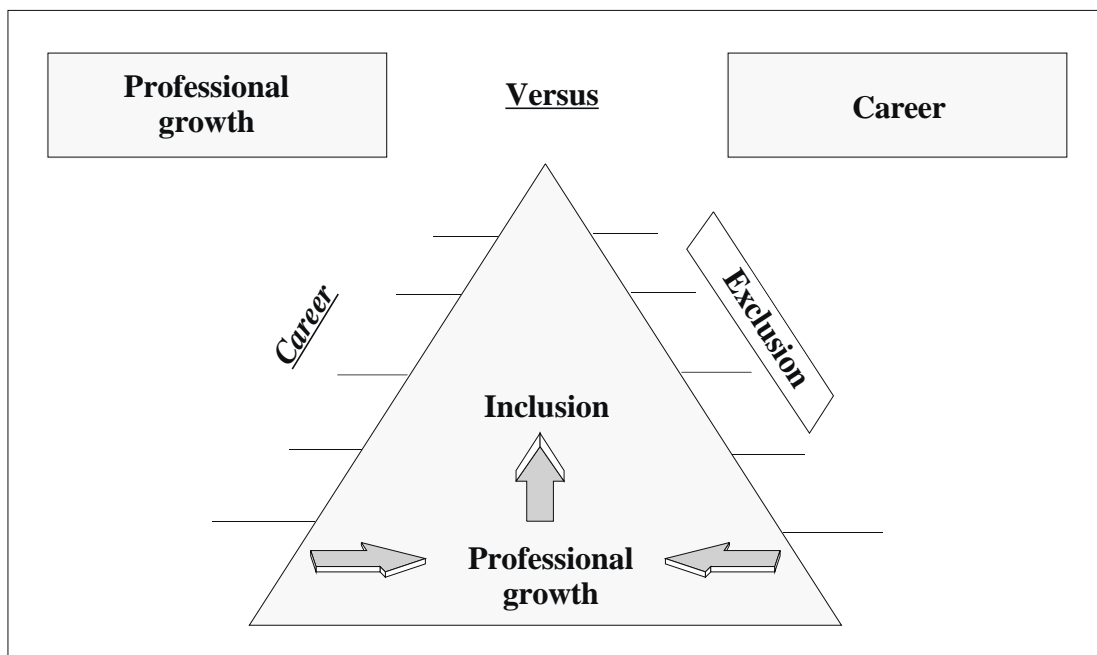
In the last few years, the term “career plan” has become fashionable. This term has come increasingly to suggest fierce competition between a chosen few to reach the top positions in the company’s management structure in the shortest possible time. This implies taking for granted right from the start that most of a company’s personnel have no chance of attaining these posts and are condemned never to enjoy something apparently so appealing as a “career plan”. According to this philosophy, what is prized above all else is the desire to climb up the corporate ladder, justifying whatever means may be necessary to achieve this objective. Other people or really improving our professional skills do not matter, only power and success, and the more and the quicker, the better. What ought to be the logical consequence of a long process of preparation and professional maturing, of improving our skills, of truly placing ourselves at the service of others, working together on an exciting project, is replaced by empty immediacy and “anything goes”.

As the term is fashionable, companies rush to design career plans for their employees without really knowing what they are doing or how they should do it or if it is really going to be of any use. Let us start at the beginning. The company should think about all of its employees and not just a few. What can it offer them? A harmonious development of their professional skills, offering prospects of professional improvement and progress without necessarily having to “climb rungs”, which will simply become one more possibility in a person’s professional growth.



How can this be achieved? Again, we have to repeat, “by changing present job-linked structures for others that are focused on the person”, that is, by applying the system we are proposing in this paper. Promotion will not be confined to an upwards race through the reporting lines in a hasty quest for our limit of incompetence; rather, it will create the circumstances that enable people to show their abilities, their motivations and their true potential. Promotion will be a logical consequence of professional growth and this will be a consequence of training and accrued experience. The professional groups we proposed in the section on remuneration policies should be the reference points that set the conditions required for the individual to progress professionally. Some will be objective and others will require a specific evaluation procedure, which will try to measure a person’s professional skills (related to his years of experience and background), his performance and his career path to date. The remuneration, linked to the professional groups, will be a reflection and logical consequence of the skills developed by each person.

Our aim is that the individual should focus, above all else, on discovering, developing and showing his abilities, that is, on growing “inwards” (inclusion), which is something that no one will be able to take away from him. And that promotion, as it is understood today, should become a consequence and not an end in itself.



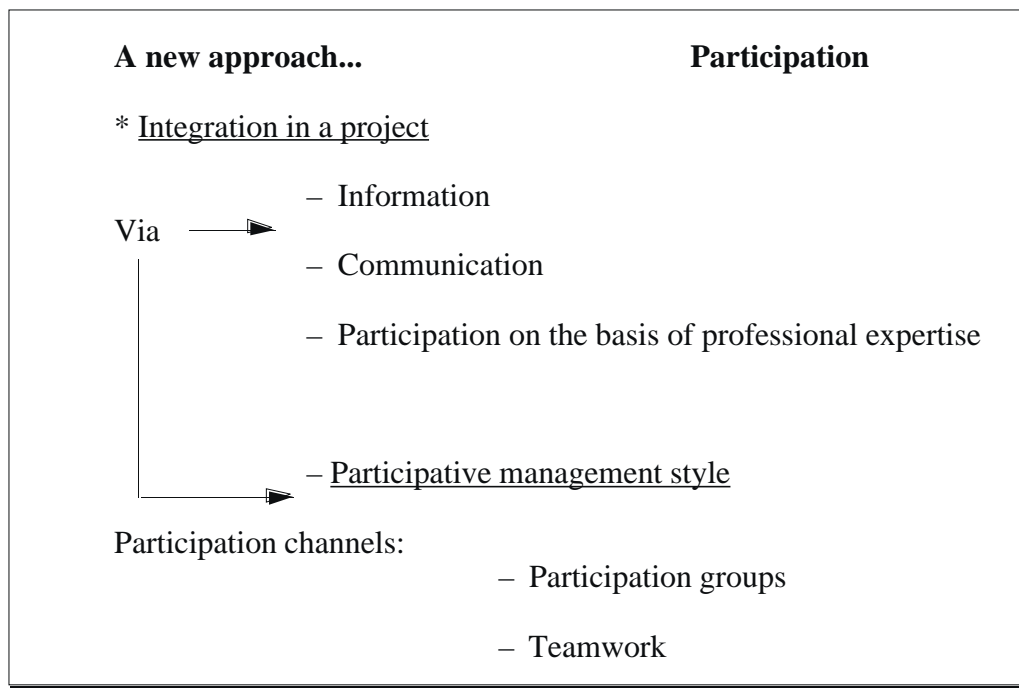
3.3.3.- *Communication and participation policies*

Following the rules of the new conception of work discussed in this paper, people acquire a broader vision of the whole and become professionally more enriched; they will be able to contribute their ideas on all that is within their field of competence, feeling truly a part of and committed to a common project. As a result, they will demand work systems and supervision that reflect this situation.

Since the early 1960s –when the first quality circles emerged– up to today, a huge number of more or less participative systems have been developed, so many that it is difficult

to group them in a single classification. History and the literature on participation in companies show us different forms of participation with different purposes (26). It is interesting to note that people are often more concerned with implementing a particular system than with understanding the true purpose of participation. If the aim is to obtain the conditions that enable the individual who so wishes - on the basis of his knowledge and experience - to find a suitable channel for his ideas and creativity, then the actual system is surely of secondary importance, so long as it has a minimum of logic. We would specify at this point that we are referring to participation based on professional expertise at job level and preferably in the “decision-making process”.

Quality circles, project groups (within the same department or between departments), development groups, progress groups, participation groups; everyone defends his preferred system, when in actual fact all or none may be valid *per se*. Their validity will depend on: who uses them, what for, how and in what company; and also, above all, on their ability to achieve their true purpose. And what is their purpose? To enable each person within an organization, in accordance with his professional competence, to contribute ideas and enrich decision-making in a world as “uncertain and unpredictable” as the modern business world. Saint Thomas Aquinas says, “Logical reasoning is as important in abstract cases as the ability to advise in practical cases”.



Participation based on professional expertise does not mean taking part formally in decision-making. It seems that some people are obsessed with using these systems to achieve the “magic wand of co-management” or “complete delegation of decisions”. In our opinion, the decision-making capacity that some theorists who have no real experience of business reality wish to give to groups is a fallacy that is harmful to the organization and to the group itself. Decision-making is much too serious a process to be treated lightly.

Business managers who really know what their job entails feel very worried when they hear of “co-management” as a goal to be achieved and it deters them from further implementation of participation processes. In my opinion, they are completely right.

The company needs “unity of command”; command must be placed with those who hold management positions; after all, that is their job. This does not prevent decision-making from being enriched by the contributions of those who are closer to the task and, consequently, can perform it most competently. It is an indirect, but richer and more decisive way of influencing decisions; that is, on the basis of the specific weight that their opinion carries. On the other hand, some of the formulas proposed require - one cannot really see why - a state of virtual democracy within the company. God save us from such a fate; by all means, let us use all that democratic processes can offer us that is helpful but, please, not that which is harmful or unsuitable for an organization.

The conception of “teamwork”, which is the most advanced formula for participation, favours the paradigm we have proposed in this paper, as it defines a working area and is based on the versatility of all of the group’s members with regard to the functions to be performed. On the other hand, it is conceived as forming part of the same organization structure. Thus, participation is not something stuck on to the company’s normal operating process but is a part of it. Training, management style and the ways in which participation systems are given concrete expression will depend on the way work is conceived and organized throughout the organization.

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