

FUTURE OF WORK

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How to get the best out of your organization and its ecosystem



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What is an extended company? How can we transform corporate cultures into an operational reality and how to make them work with the ecosystems and organizations around us?

JULIEN CLOUET

It's a very interesting subject and Guillaume touched a little bit on this earlier. We used to see companies that were organized into silos, which were quite focused on certain KPIs, around turnover, and profit margins, and which generally worked in a rather compartmentalised way. In fact, what we see today is that the **expectations of the various stakeholders, the expectations of people entering the job market, consist of moving towards companies that create an impact, that have a purpose, that have a strong company culture and that are fully integrated into their economic environment. An extended enterprise is a company that operates in an ecosystem, along with its partners, competitors, suppliers, customers, etc., and ultimately becomes part of the entire value chain,**

which allows it to operate its service or create its product. Let's take a company like Danone, for example. Guillaume was talking about companies that have a purpose, and the PACTE law. It's true that Danone was one of the first companies to become a “purpose company” and that, for a long time now, in its value chain, in its production chain, has been able to draw the attention of farmers to dairy production, of industrialists who...

ARNAUD BUCAILLE

Also, on that subject, Julien, since not everyone will necessarily know about it, the company's *raison d'être*, Danone's purpose today, is to contribute to improving health through nutrition for as many people as possible. This purpose is at the heart of the company's identity, and it is effectively reflected in the ecosystem. I'll let you speak about this further, sorry I've interrupted you; I was trying to put it into context...

JULIEN CLOUET

Yes, indeed. It really is the brand's purpose, and in fact, in order to implement it on a daily basis, Danone has gone as far as going to the countryside to see the farmers who produce the milk, to work with the industrialists on the yoghurt pots, other materials, or even bottled water etc. and then to the customer. It is also important to mention that, in the end, these companies have to put words to it, **be able to define their history, their culture, their values, their know-how, etc., rely on their people, the internal population, their employees and then start to open it up to all these external players who are going to be in this value chain.** And we're going to have, for example...

ARNAUD BUCAILLE

If I could give an example that will resonate with everyone, *Française des Jeux* [*FDJ], for example, has been quite prolific in the media. Recently, you must have seen the ads about the history of FDJ, which was initially a post-war lottery company with a positive impact for wounded veterans but also with an impact on the preservation of heritage. But, when you think about it, what was the FDJ originally? It was no more than a gambling company, and so they managed to make their employees proud, to rekindle the company's image with the history they have at home. I know that many were expecting examples during our presentation... I find it quite meaningful and it conveys a certain pride. I also think that we, as consumers, see ourselves differently... We see FDJ in a different way compared to other gambling companies.

JULIEN CLOUET

Yes, absolutely. It's about integrating the *raison d'être* into the economic environment and having a real impact, highlighting the impact it could have on society. So how does this work? In terms of organization, **an extended enterprise is a company that will reach out to its alumni, former employees**, for example. **These former employees, these former collaborators, they must become prescribers for the entire service or product. Customers, for example, must also contribute to innovation**, to projects. Danone, for example, will have organized consumer workshops, and realized that there was a very strong interest in the environment, especially around raising awareness on plastic pollution, waste reduction, etc.

So, the question that was raised was: “How are we going to innovate to be able to create an impact, to satisfy this demand in order to fight against pollution, global warming, etc.?” With all the buzz

around waste, water bottles in the ocean, etc., they decided to meet with their customers, partners, producers and industrialists who help them manufacture the plastic bottles, and they realized that the plastic holder around the bottles they used to keep the six water bottles together in the stores, had no real purpose. The plastic was used to keep them attached. It was to make it easier to hold the six bottles together and pack them to sit on the shelves in the stores. But is this plastic really needed? Well, the answer is no. And what other solution is there? They finally came up with the idea of using a plant-based glue to hold the bottles together and ended up proposing an alternative and completely limiting the use of plastic. It is because they were able to rethink the different parts of their value chain that they were able to innovate.

ARNAUD BUCAILLE

And the external value chains, even companies who have commercial power, **they came back with disruptive innovation strategies, and in the end, have potentially convinced purchasers to go in this direction.** So, it's for purchasers to study their potential clients' visions, to propose solutions in line.

GUILLAUME JUBIN – Meaning Partner at Wemean

What's interesting about what you're saying, Julien, is that, regarding alignment, the companies that are the most connected with their ecosystems, the ones who are most closely linked to external stakeholders, who have transformed and studied the impact they should be having, in terms of purpose, and it's very linked with what you must be seeing...

JULIEN CLOUET

That's exactly right. What we're seeing on a daily basis is that – Arnaud, you were talking about this – buyers being aligned with suppliers, etc. This is how innovation can happen in companies and integration too, in terms of partners. However, companies really need to go further, because, at the end of the day, if we only concentrate on this company purpose... Let's look at an example: **all the external stakeholders who gravitate towards a company, will diffuse certain best practices, bringing a fresh eye to the organization.** We've heard a lot about freelancing, for example. **It was seen as a chance for companies to get access to skills and expertise which help them to transform.** It's something which really came from purchasers; they were the ones who were going to organize this relationship with their suppliers etc. And we really need to work to change this vision, because this needs to be taken on by Human Resources, by HR directors within companies, who will in the end consider, a sort of extended company, an extended team, for each project.

So, we'll work with both internal and external stakeholders, with start-ups, maybe with competitors. And in the end, it's the fact that finding, through these collaborative projects, who the stakeholders are, that we will manage to create a new model, an innovation, for the company. **And so, the successful companies will be the ones who manage to re-organize this whole ecosystem around themselves, and really work on this transversality throughout the value chain.**