Developing Human Resources Management Performance in Industrial type SMEs – The role of proximity managers

Carole Bousquet [iD][1], Miguel Delattre [iD][2], Jessica Lichy [iD][3]

[1] IDRAC Business School, carole.bousquet@idraclyon.com ,

[2] University Jean Moulin Lyon 3, iaelyon School of Management, UR Magellan, miguel.delattre@univ-lyon3.fr

[3] IDRAC Business School & University of Sunderland Faculty of Business, Law & Tourism, jessica.lichy1@idraclyon.com,

Abstract : The effective management of human resources is a central issue for many companies, particularly small-to-medium sized enterprises (SMEs) in Industry, which often lack a designated HR function. Usually, the HR function and management of HR falls upon the manager, who faces diverse issues that can hinder innovating or implementing a more efficient system of managing HR. This paper addresses the issue of developing sustainable and innovative HR practices in industrial SMEs. The loose structure of the SME facilitates organizational agility but can also bring about disorganization, dysfunction and sub-optimum performance. Using research-intervention, this paper contributes to the literature on the impact of developing HR practices on employee performance in SMEs. It explains the key roles of management and local managers in facilitating and developing a more adapted and efficient HRM interaction.

Keywords : HRM, Performance, Intervention-research, Proximity Manager, Industrial SME

Développer une gestion performante des ressources humaines dans les PME de type industriel - Le rôle des managers de proximité

Résumé : La gestion performante des ressources humaines est une question centrale pour de nombreuses entreprises, en particulier les petites et moyennes entreprises (PME), qui n'ont souvent pas de fonction RH désignée. Habituellement, la fonction RH et la gestion des RH incombent au manager, qui est confronté à divers problèmes pouvant entraver l'innovation ou la mise en œuvre d'un système plus efficient. Cet article aborde la question du développement de pratiques RH durables et innovantes dans les PME industrielles. La structure souple des entreprises de petite taille facilite l'agilité organisationnelle mais peut également entraîner une désorganisation, un dysfonctionnement et une performance sous-optimale. En utilisant la recherche-intervention, cet article contribue à la littérature sur l'impact du développement des pratiques RH sur la performance des employés dans les TPE/PME dans le milieu de l'industrie. Il explique les rôles clés de la direction et des managers de proximité dans la facilitation et le développement d'une interaction de GRH plus adaptée et efficace.

Mots clés : GRH, Performance, Recherche-intervention, Manager de proximité, PME industrielle

---

1. INTRODUCTION

Despite the proliferation of HRM research, only a small fraction explores the context of small-to-medium-sized enterprises (SMEs) – i.e., fewer than 250 employees. The Bpifrance's SME observatory lists 3.82 million companies working in non-agricultural sectors in 2015, with 136,500 SMEs employing over 4 million employees, accounting for 23% of the value added produced. Yet, little attention is paid to implementation of tools, systems and new practices (Ruel & Grezolle, 2022). This leads us to question the extent to which it is possible to develop efficient HR practices outside the specialized activity of a functional HR structure. It raises the issue of sourcing in-house solutions to make HRM more effective regarding administration, recruitment, skills development, workload balance, employee development, adequacy between resources and company strategy. The literature on HRM in micro-firms (fewer than 5 employees) and SME tends to emphasize that there is no pre-established model in this area (Payre, 2017, p.35). According to the adage 'Small is Beautiful' (Schumacher, 1973), the size of these organizations makes them both more agile with respect to their environment and more 'personalized' in their internal organization (Delattre & Roche, 2018). It is possible, however, to highlight generic contingencies in these structures, such as the predominant role of the manager and the absence of an HR actor (apart from the manager him/herself). Accordingly, we hypothesize that supervisory staff and local managers occupy a privileged place in initiating and developing adapted and innovative HRM practices in SMEs.

To this end, we review relevant research to identify issues related to the shortcomings or deficiencies of HR skills in SMEs linked to the absence of HR actors, dedicated and clearly identified devices and tools. We present the exploitation of field materials resulting from research-intervention (Buono, Savall & Cappelletti, 2018) conducted in a trading and ripening SME.
This research adopts a transformational approach, co-constructed between the company's actors and the researchers mandated by the manager. In the

first phase of the research-intervention, a socio-economic diagnosis was undertaken with each actor through semi-directive interviews, individual interviews for the management and the supervisory staff, plus group interviews for the personnel. The aim of the semi-structured interviews was to unpack the actors' appreciation of their quality of life and working conditions, as well as their contribution to the development of their company's overall performance. Some 300 verbatim reports were collected from 22 individuals (n=15) and group (n=7) interviews with 35 permanent employees (excluding temporary workers). During the change process, an issue emerged: the decentralization of HRM acts on the management as a lever for the development of the social and economic performance of the company. We then re-examined the interviews from the perspective of HRM practices. This analysis – independent from the initial research-intervention – enabled us to identify shortcomings in the integration and management of the HR function within the company. We present the results of this analysis then explain the improvement measures and actions implemented by the company's players to develop a more integrated and efficient approach to HRM. Finally, the strategic role of management is highlighted in the implementation of this approach.

2. DEFICIT OF ARTICULATION BETWEEN HRM AND STRATEGY

Shortcomings in HRM systems and tools in SME-type structures can be explained by the relationship between the function of (i) strategy and (ii) HRM. There is often tension between the definition of the strategic project and the way to conduct it and mobilize resources. It should be noted that an effect of mimicry between structures of different sizes can contribute to marginalizing the practices of smaller structures.

2.1 The contribution of HRM to overall performance: a relationship to be (re)built?

Discourse on corporate performance is often associated with strategy and interpreted in terms of economic criteria, overlooking social performance. There remains a gap between theories of HRM perceived as a real strategic stakeholder and the

practices observed in companies. The HR function, which bears HRM practices in organizations, often intervenes a posteriori to develop strategies during implementation (Bousquet, 2018). Under these conditions, it is a major challenge for the HR function to identify, prepare and make available in a timely manner the skills needed to carry out its strategy (Réale & Dufour, 2006). Authors (Cooke & Saini, 2010) point to problems of non-alignment of HRM practices and organizational goals (Defélix, Mazzilli & Gosselin, 2012) – for example, HRM evaluations favour short-term results (hiring goals in year N+1; downsizing within one or two years; a percentage of payroll sent to training, etc.). This observation is supported by Bootz, Schenk & Sonntag (2014; 2017) who describe HRM practices that are insufficiently explicit and connected to the company's strategy and the manager's vision – a strong characteristic of SMEs (Mahé de Boislandelle, 1994).

Underscoring the contribution of HRM to the overall performance of the firm, we mobilized the reading grid of the systemic ago-antagonist (Bernard-Weil, 1994, p.315-335) to study the complementarity of the strategic and HR functions. The distinct feature of agonistic (synergistic effects) and antagonistic (opposite effects) couples is that the clash generates positive and non-destructive effects. This clash leads to an equilibrium (Perroux, 1975, p.71) under tension (of opposing and joint support) over time. Balancing corresponds to the search for a return to equilibrium, rather than focusing on a hypothetical (optimum) equilibrium. Far from static, equilibrium is created in a dynamic process of continuous reconstruction, resulting from a tension between permanent actions and counter-actions – either a strategic type (new products or markets) or HR type (available skills, required workers).

The notion of ago-antagonist has been used in management sciences, both to inspire a model of representation of the organization (Morin, 1980) or the firm (Trousselle, 2014) and to characterize certain relationships – for example between control and strategy (Denis, 2002). Ago-antagonist characterizes the relationship between the functions of HRM and strategy; they have established inseparable, complex and inextricable

relationships to ensure the survival and development of a productive organization, and thus to enable its viability and overall performance in the medium-to-long term. It is widely agreed that the HR function can have different types of contribution as a 'strategic partner': HR System Administrator, Employee Champion, Strategic Partner and Change Agent (Conner & Ulrich, 1996). However, even if this strategic dimension can be illustrated by a stronger presence of HR directors on the executive committees, the strategic role of HR directors is not evolving (Lawler, Boudreau & Mohrman, 2006). This feeling of immobility can be explained by the fact that HR directors are more comfortable defining and implementing systems than taking a position and acting in line with strategy itself (Le Boulaire & Retour, 2008). The instrumental dimension of HRM has been favoured since the 1980s (Pigeyre, 2006). In smaller structures, the design of the function is less important than the practices to better support the activity.

Defining a roadmap for negotiating the conditions for a company's survival/development and viability requires a twofold perspective: firstly, externally-oriented (business strategies: the market), secondly, internally-oriented and the mobilization of human potential (Savall, 1975; Savall & Zardet, 2015, p.93-94). The strategic models are often vertical and top-down (Mintzberg, 2009), coupled with pseudo-Taylorism organization. Consequently, the constraints imposed by an increasingly turbulent environment have favoured the emergence of contingency strategies (Amblard, Bernoux & Herreros, 2015). Consequently, organizations develop proactivity and become more agile (Worley et al., 2015), which can lead to proactive and projective strategic approaches or more emergent approaches (Avenier, 2005). These changes in strategic models call into question the traditional design of the HR function, favouring implementation – particularly management. The HR function handles paradoxes; there is often a lack of articulation that can produce sufficient links and meaning between the different levels of decision-making. The evolution of the two notions (HR and Strategy) is part of a dynamic ago-antagonistic attraction-repulsion relationship. It would therefore

be a matter of gradually moving from an administrative concept of HRM (Mahé de Boislandelle, 1990) towards a more strategic function that supports effective implementation compatible with the desired strategy. Recognizing the strategic role of HRM remains weak, since an approach based on internal resources rarely gives sufficient visibility to the actor and his/her work skills (Cazal & Dietrich, 2003). The place and role of management seems to reflect the relationship between HR and strategy within organizations.

2.2 HRM and SMEs: lack of integration and facilitation

The literature on small firms is often inscribed in a dynamic of sequenced stages (or phases) that are part of a life cycle (Arlotto et al., 2011). Thus, a small firm would correspond to a period between two positions: the foundation and a satisfactory level of development represented by a threshold of workforce or volume of turnover. An integrated and structured HRM would be senseless in this in-between period, owing to organizational threshold effects (Godener, 2002). The mobilization of implicit 'One Best Way' models is based on implicitly normative representations (Perroux, 1975) and would lead to the application of models specific to large groups in small and micro firms (Marchesnay, 2003). Consequently, functional specialization seems to impose itself as a blue-print for the development of a structured HRM activity. Moreover, the tools would not be sufficiently acclimatized to a restricted perimeter (Le Boterf, 2000 ; Millet and *al.*, 2003) and the actors involved would be more demanding than in large companies. The magnifying effect (Torrès, 2003; 2004) often invoked in small structures would therefore also apply to the tools and devices available: meaning and utility preceding essence and technique.

It seems pertinent to focus on the outcome/content expected from this specialized function, namely the levers (means and devices) available to implement the strategy. In this way, the approach to HRM in SME would be based more on a break with the past: considering other possibilities, rather than imitating larger structures. As HRM appears to be an insufficiently mobilized performance lever, the

analytical framework for SMEs is particularly fruitful. There is a large body of HRM literature on middle (or local) managers – but less on strategic management. The role of the proximity manager is characterized both by the alignment of his/her activity with the strategies and objectives of the organization, but also by his/her ability to conduct operational activities. In reality, the role of the manager remains unclear in the field, due to the multiplicity of qualities and skills expected (Gosset & Laurence, 2005). S/he is responsible for monitoring deliberate strategy, but also, owing to his/her position, for supporting more emergent strategies, particularly by innovating in professional practices (Moss Kanter, 2004). The operational role of the proximity manager is to embody this link, to mediate (Dietrich, 2009) and connect HRM and strategy. It would therefore be a matter of complementing process and administrative approaches with approaches focusing on facilitation, such as managerial style, and a more adapted and innovative HRM policy (Krohmer & Retour, 2006).

Questioning the representation of the HR function and the notion of ago-antagonist allows us to identify a margin manoeuvre to adapt HRM to the strategies of SMEs and to develop needed managerial innovation (Ageron & Lavastre, 2015), notably through the role of the proximity manager.

3. INTERVENTION-RESEARCH AND METHODOLOGY PRESENTATION

This study was initiated in 2015, within a SME located in the Rhône-Alpes region (France) and created in 1960; the 'S' company is an independent, family-owned business with a turnover of 45 million euros in 2015. Specialized in B-to-B fruit and vegetables, the company is organized around two main activities: trading (wholesale market) and ripening fruit and vegetables (ripening). This ripening part of the company is organised according to the industrial type, from reception to packaging on production lines. The company has an average of 44 permanent employees (full-time equivalent) including temporary workers, of whom 14 people line-manage the activities and staff.

3.1 Longitudinal intervention-research

Intervention-research is a transformative research method (Plane, 2000; Argyris & Schön, 1996; Savall & Zardet, 1996; Louart, 1995) that promotes interaction between the researcher and his/her field. It engenders a particular position of the researcher in the context of interventions (Cappelletti, 2007) using a methodology known as qualimetric (Savall & Zardet, 2004), collecting and processing data that is qualitative, quantitative and financial. The alternating position between fieldwork and retreat (between immersion and distancing) allows the researcher to deploy both logic-inductive and hypothetico-deductive reasoning (McKelvey, 2006). The field phases favour the production of data interpreted according to an abduction process (David, 2000) during the withdrawal phases, and to formulate hypotheses, validated or not by new immersion phases. The contrast between these two positions favours the knowledge creation (Wacheux, 1996). The main objectives of this research-intervention were to identify internal organizational and structuring deficiencies, in order to increase the involvement of all employees, while improving the overall (economic and social) performance of the company.

The research-intervention (conducted November 2015-November 2018), collected qualitative and quantitative interviews, internal documents and tools developed jointly with the players in the support phase. It is based on a diagnosis of semi-directive interviews, with exhaustive notetaking by the researchers. Control sentences (verbatim) were selected from 15 individual interviews conducted with management and supervisors, and 7 group interviews (2 to 4 people) conducted with staff. The interviews focused on the dysfunctions perceived by the various players regarding working conditions, work organization, communication, time management, training and strategic implementation. The diagnosis was presented, followed by a support phase involving setting up participatory working groups in order to develop proposals for improvement. We then undertook a subsequent exploitation phase of these interviews, based on a lexical analysis grid (Table 1), the aim of which was to structure the spontaneous expression of the actors on the perceived shortcomings in terms of HRM, in both its integration and facilitation, the role of management and the strategic perspectives of the company.

3.2 Exploitation of field materials and analysis of results

Assuming that the development of HRM performance and its contribution to the overall performance of the organization is part of a better-managed strategic implementation within the SME, it is therefore necessary to develop HRM based on greater proximity to the actors, within a framework of synchronized decentralization of the function (Savall & Zardet, 1995;2005). The objective is to better mobilize human potential by disseminating skills on how to integrate and facilitate HR. Synchronized decentralization seems to be under-explored, given the strong centralization of activities around the manager (Torrès, 2003; Torrès & Enrico, 2014). This observation suggests that there is a lack of time, not only for management, but also for the management of support functions. Activating the HR function by deploying a social mix (Mahé de Boislandelle, 1990) is not feasible for SMEs whose support functions are reduced to a minimum. This approach adopts an integrated HRM model based on policies defined around employment, remuneration, development and participation. The approach developed by Mahé de Boislandelle makes it possible to structure a global analysis of HRM based on quantitative and qualitative indicators to evaluate the direct and indirect effects of the social mix. At this stage, the deficiencies in functional structure are too important to determine a sufficient scope of analysis. An analysis using human relations seems more relevant (Fourcade et al., 2010), supporting the notion of human relations mix analogous to the social mix.

Decentralizing the HR function implies moving it as close as possible to the level where the responsibility for its implementation is engaged, ensuring synchronization and adhering to ground rules. Exchanges between players must be strengthened to ensure that the actions initiated are compatible with the overall operation. This approach directly involves the mobilization of

management and local managers, the redefinition of their areas of responsibility, and further clarifying the degree of strategic steering required to achieve the overall performance levels expected by the organization. The role of the manager can be assigned eight functions (Peretti, 2018): choose, manage, guide, train, compensate, involve, negotiate, watch, to which a ninth can be added: prevent. The hypothesis of our work is based on the

importance of the role of the local manager in facilitating a more strategic HRM. In addition, the functions described by Peretti seem relevant and actionable for practitioners. Table 1 (below) summarizes the nine functions of the proximity manager.

Table 1 : 9 functions of the proximity manager in HRM – reading grid

Theme	Functions	Objectives
1	Choose	Define skills, recruit new employees, welcome and integrate.
2	Manage	Specify the job and forecast the evolution of jobs, define working hours, develop flexibility and versatility, manage permanent and seasonal staff.
3	Guide	Identify professional projects, guide employees' career choices, carry out skills assessments, evaluate potential.
4	Train	Watch and identify training needs and develop training plans.
5	Compensate	Implement strategic compensation management, evaluate positions, individual compensation and non-monetary benefits.
6	Involve	Involve employees, animate, communicate, inform, mobilize and rethink work organization.
7	Negotiate	Knowing the logic and modes of action of the stakeholders (trade unions), developing social dialogue and negotiating with the social partners.
8	Watch	Build the Human Resources information system, have a strategic vision of HR, dialogue with the HR department.
9	Prevent	Prevent socio-professional illnesses: working conditions, ensuring workstation ergonomics, reducing workplace accidents.

From this reading grid, the 22 (15+7) interviews conducted were used to identify convergence or actors' expressions according to their position in the organization. The exploitation of the collected materials is undertaken by interview: the facilitator selects 10-15 verbatim relating to the spontaneous expression of the actors. The analysis was divided into two parts: individual interviews with management and supervisors (n=150 *verbatim*) and group interviews with staff (n=105 *verbatim*). The criterion is the variety of expression: the percentages given indicate the importance, at a

given time 't', of these themes for the interviewees. They do not correspond to an absolute and permanent value but capture the problems and dysfunctions experienced by different actors in the organization.

3.2.1 Dysfunctions in Human Resources Management practices and systems: expression of management and supervision

A first phase of analysis enabled us to compare the verbatim to the 9 HRM functions that a proximity manager could enact. The spontaneous expression of those involved in management highlights

shortcomings in four main functions: n°8 Watch (27% of *verbatim*), n°6 Involve (19%), n°2 Manage (17%), n°4 Train (17%). These four correspond to shortcomings identified in day-to-day operational operations (Table 2); they account for 80% of the

expression of the actors; the remaining 20% are spread between the five other functions.

Table 2: Excerpts on dysfunctions in HRM practices – Management and supervision

Functions	Verbatim
Watch (n°8)	"I'd like management to do their job as a buffer between the people and me." (CEO) "A manager doesn't show any indication of fulfilling his function. As soon as it comes to supervising staff, being the boss, you feel that the job isn't being done." (Market manager)
Manage (n°2)	"Handlers' breaks are not managed, and this creates problems. Two or three preparers on a break at the same time and when they want, it's not good." (Supervisor) "I have data each day and I have to revise the schedules, readjust the teams the day before for the next day. It's not always easy to contact people in the afternoon to tell them "you have to postpone" or "tomorrow you're not working."" (Manager of the ripening plant)
Involve (n°6)	"We are too individualistic, there is no team. I don't feel like a team. We should see each other once a month outside in another context to regain cohesion." (Market executive) "There's nothing worse than not being supported by management. When we intervene with our teams and then there's a second bell ringing from management, it's undermining the credibility of the company. "(Ripening plant manager)
Train (n°4)	"There is a lack of versatility and time to train preparers for certain positions. On the team, that represents between three and four people." (Warehouse manager) "There is a lack of training for some preparers, which makes it difficult to manage the workforce." (CEO)

The managers are aware of the causes of the difficulties encountered on a daily basis, including: lack of ground rules (n°2, Manage), lack of adequacy with the job held (n°4, Train) and weaknesses linked to their professional practices regarding transversal knowledge and compartmentalization of communication – particularly between the market and the ripening industry. Thus, it is not so much a lack of knowledge concerning the realities on the ground that is missing as the way to report them, share information and improve HR decision-making. This is expressed through the theme (n°8, Watch) in the lack of management structure. The theme (n°6, Involve) is illustrated by the feeling of individualism and lack of involvement, experienced by management both at their level and at the employee level.

3.2.2 Dysfunctions in Human Resources Management practices and systems: employee perspectives

Interviews with employees were conducted according to the same procedure. The employees articulated various deficiencies regarding HR management in 4 main themes: n°9 Prevent (21%), n°6 Involve (19%), n°5 Compensate (16%), n°2 Manage (14%). The first four functions invoked represent 70% and the other five functions account for 30%. This less concentrated distribution underlines the methodological effect: the search for variety in the expression of the actors leads to a dispersion of the expression of actors who do not share the same working environment in their daily operational functioning (Table 3).

Table 3 : Excerpts on dysfunctions in HRM practices – Employees

Functions	Verbatim
Prevent (n°9)	"We drive forklift trucks even if we don't have a license… if there's a problem, I'm not insured but I'll be held responsible." (Market employee) "The machines are too low; the incoming pallets are too high, and the palettes are very heavy. As a result, we all have our backs to the grindstone." (Ripening employee)
Involve (n°6)	"We don't have meetings; we don't have information... or only when things go wrong." (Market employee) "The distribution of tasks in the ripening room is not fair, between some lighter and some very physical tasks. It doesn't change enough." (Ripening employee)
Compensate (n°5)	"There is too great a disparity in wages between the preparers and yet we do the same job. It plays on motivation." (Market employee) "It shocks me that they don't even have supervisor status. Responsibilities come with the position that goes with them." (Ripening employee)
Manage (n°2)	"We have the information the day before for the next day, or even the same day, whether it's for promotions, schedules or even replacing a colleague at a moment's notice." (Ripening employee) "When it's quiet, we don't let people go home, but when there's a need, we ask them to stay until 3pm or even 4 pm." (Market employee)

Although the themes are mainly operational (working conditions, time management, planning, compensation), the second most expressed theme, n°6 Engaging 19%, shows the interest among employees to feel more involved in the company's strategy and its overall performance, to have mechanisms and more information to improve the quality of exchanges.

3.2.3 Dysfunctions in Human Resources Management practices and systems: analysis of convergences and specificities

Almost all the functions were addressed by the sub-populations interviewed, both management and staff (Figure 1). Only function n°7 [negotiate] was not the subject of any particular expression. This can be explained by the absence of employee representatives in the company and the lack of consideration of the collective dimension: the relationship with stakeholders is individualized.
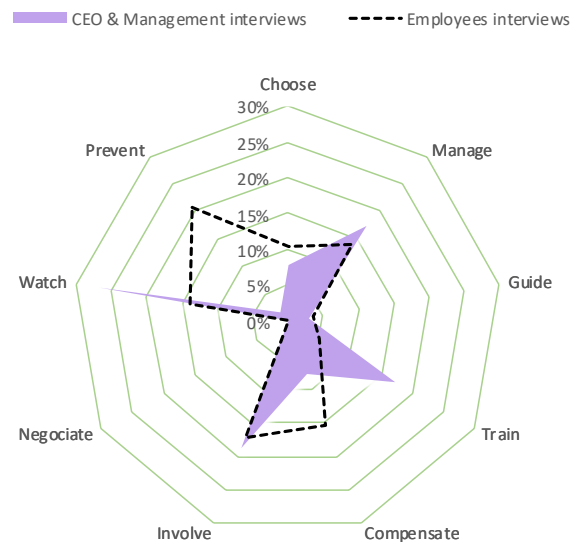

Figure 1 : Convergences and specificities between employees and management

The convergences (agonistic relationships) identified correspond to the functions [manage], [involve], [guide] and to a lesser degree [choose] and [watch]. The specificities concern the functions

[train], [compensate] and [prevent]. The perception of the different HRM functions according to sub-populations yields 'contrasting' expectations that reinforce the polarity of feelings in the respective population. The shortcomings in the management of the HR function, although generally shared, are not part of a convergent vision of the blocking points, which is a source of tension (antagonistic relationship).

The actors voiced 'disappointment' concerning their expectations of the HR function, with the over-riding expression reflecting a 'utilitarian' perspective regarding the tasks and functions entrusted to them. Management emphasizes function n°8 [watch], which would enable better team-leading by facilitating its role as an interface between management and employees. The interviewees regretted the lack of delegation from managers, epitomized by the CEO conducting the annual interviews with employees. The second theme, function n°4 [train], is part of the same dynamic but with a more operational vision. The staff commented on function n°9 [prevent], which seems legitimate, given the activities carried out (handling), and function n°5 [compensate], which is a source of conflict: the wage policy lacks clarity and equity.

Finally, the management team points to a lack of structure and managerial skills for managing staff and activities. More specifically, they identify shortcomings in training, identification of individual and collective skills, and a lack of versatility/agility to adjust human resources to the workload. These observations are particularly pertinent as the company is structured in two distinct-yet-complementary activities: 'wholesale market' and 'ripening'.

This diagnosis and exploitation emphasize the deficiencies of integrating and facilitating HRM within the SME, to explain problems known to the actors but neither formalized nor resolved. The HRM themes identified are examined by working groups (management, supervisors and employees) to combine the perspectives and operational knowledge to find solutions that are consistent with the organization's strategy and operational realities. Involving all staff helps to reduce possible resistance to internal organizational changes and to facilitate the implementation of decisions taken.

4. DISCUSSION: NEW MANAGEMENT ROLE TO IMPROVE HRM EFFICIENCY

The support phase has enabled improvements to be actioned by structuring activities (4.1) and their implementation by strengthening the role of local managers (4.2) to better integrate and lead HR functions within the company.

4.1 Structuring a real proximity management organization

A number of outstanding achievements were noticed, including: formalizing an organizational chart and creating a structured and well-equipped local management function; management training (skills management, steering indicators, strategic implementation, etc.), and defining individual and collective contracts of objectives. The following figure (Figure 2) shows the organization chart at the beginning of the research-intervention. The leader is isolated. The people identified by the leader as having a real supervisory role are "FF" (leader), "GT", "YD" and "FD". As such, "GT" does not have a dedicated team; its position in the organization chart does not reflect its actual support and supervision practices. Three strata are observed: the 'lone' manager, a sketchy management team, and staff (represented here by permanent staff only).
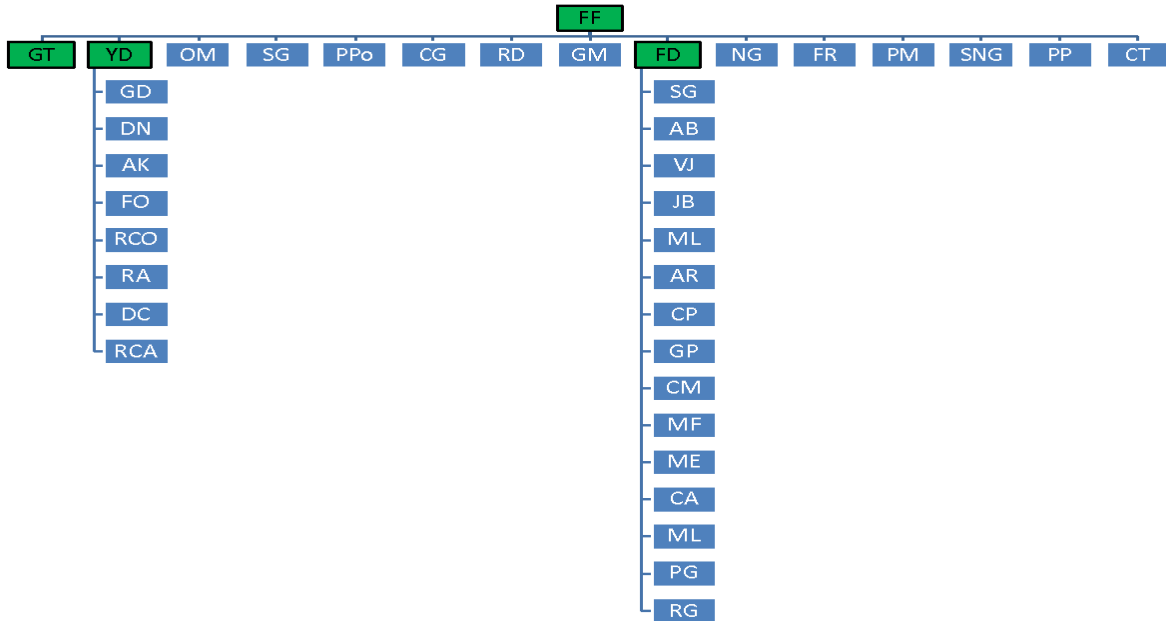
Figure 1 : Organizational chart of company S in November 2015

During the work sessions, an analysis of activities was conducted in order to structure the teams based on operational load. Professional practices and behaviours were analysed according to the changes envisaged by the management. Identifying managers is not enough to give them a role: they must also be supported. Defining the scope of responsibilities involves defining content, management tools and a system architecture. In this way, the training of local managers carried out in the first phase of the research-intervention can now be put into practice. This structuring, carried out by iteration, has generated a new internal functioning (in black, the actual managers), as shown below (Figure 3).
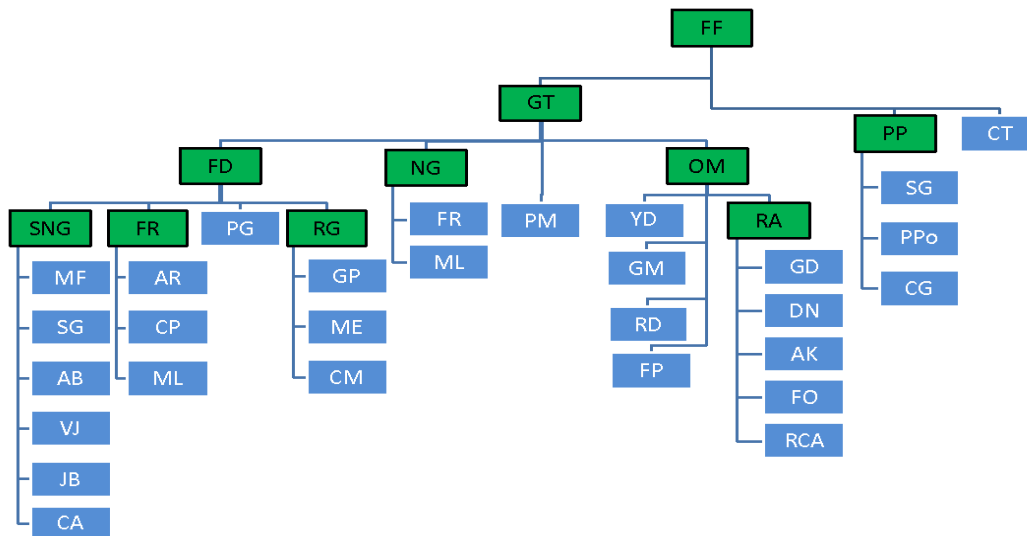

Figure 3 : Organizational chart of company S in November 2017

The small size of SMEs enables 'organizational flexibility' (Hausman, 2005) and proximity that facilitates mobilizing employees to achieve the desired results (Savall & Zardet, 2004). It can enhance performance, provided that proximity is sufficiently structured, while maintaining organizational agility and the 'capacity to adapt to change' (Hausman, 2005). In theory, HRM and strategy decisions can have greater impact and are implemented more quickly, owing to the size of the SME and the proximity of the players (Delattre & Roche, 2018). If change is implemented too rapidly, it can generate disorganized HRM, giving the illusion of proximity that is insufficiently structured (Bousquet, 2018). Thus, formalizing the organization chart makes it possible to find a balance between structured and sufficiently synchronized devices between the actors and an organizational agility necessary for optimal functioning of the company.

Furthermore, reflecting on the structuring of activities within the framework of a participative approach has facilitated the pedagogy to legitimize the implementation of local managers. Indeed, the hierarchical line is more clearly defined, and the role of interface is accompanied by defining a more precise perimeter, both in terms of activities and teams. Also, staff in charge of their actions (but not their status) have seen their role recognized (Roche, 2017), both by teams and management. The recognition of their managerial functions has made it possible to revitalize the information and HRM systems, decentralizing certain HRM actions (schedule management, management of necessary professional training, proposals for welcoming and integrating new arrivals), enriching their work while re-establishing a climate of trust and transparency among their employees. The functionalities expected of HRM (administration, recruitment, skills development, workload balance, employee development, matching resources with company strategy), which represent the nine functions of the local manager, are then shared and multiplied among managers. Not only is the manager no longer alone in this function – a common trait of micro-firms and SMEs – but the multiplication of practices

previously non-existent in the organization becomes effective at the management level.

Consider the role of HR as a 'strategic partner' (see section 4.2); using the Periodically Negotiable Activity Contract or PNAC (Savall & Zardet, 1987, 2015), every employee is mobilized to implement the organization's strategy. In this way, they play an active role in the survival and development of the organization and in improving overall performance. Nevertheless, any change process can lead to resistance from the actors concerned. The departure of a manager (CT) and staff member (RCO) can be seen on the new organization chart, as well as new entries that confirm the company's strategic will of development. Finally, the support of the researchers has enabled the local managers to gradually integrate the new functions at a sustainable pace for the organization.

4.2 Devices, actions and achievements for an integrated and efficient HRM

Following the organization chart, decentralized and synchronized activity can be orchestrated to multiply the role of the local management team as a pilot in facilitating people and activities. Several management tools have been introduced and implemented, such as action plans or skills grids that identify the activities of a department or team, the versatility of individuals and areas of vulnerability. We chose to use PNAC, driven by local management, which enables HR and strategy to be articulated by clearly formalizing the link between objectives and the contribution expected from the employee. The organization chart precedes the implementation of performance contracts, a necessary condition for good orchestration. Performance contracts are valid for six months, based on two one-hour interviews with each employee at the beginning and end of each semester with their manager. At the beginning of the semester, the individual and team objectives are defined together with the employee, and at the end of the semester, the achievement of these objectives is evaluated. In terms of time management, it would be complicated for one person (i.e., the general manager) to conduct about forty individual interviews (i.e., two one-hour

interviews) over a couple of months. Decentralization resonates with proximity: the proximity manager is better positioned to observe and support the work of his/her employees, by defining coherent objectives and evaluating them. Managers manage their area of responsibility, and their role is no longer limited to that of a 'mailbox'.

In a second phase of distancing, we analysed all 111 performance contracts collected within the company from 2015 to 2018. The aim was to analyse the shift in managerial practices of local management towards greater integration of the HR dimension. As each contract contains an average of five objectives, 236 of the initial 555 or so objectives were selected to consider only the different objectives from one contract to another. We then allocated these objectives to the 9 functions of the local manager (Table 1) and all the results are summarized in Figure 4.

4.2.1 Management and supervision objectives to improve HRM performances

The objectives of the management and supervisory staff resulting from the performance contracts are characterized by three main themes: n°2 Manage (36%), n°6 Involve (23%), n°4 Train (15%), which correspond to priorities in managing the HR function within the organization. For example: 'establishing an integrated training manual for administrative staff' is an objective given to a local manager for one of his/her employees (attributed to the [train] theme). The theme of 'taking care' does not appear in the first results, but this can be explained by two achievements: the entire management team has received training to manage and apply management tools on a daily basis, considering the skills and desired development of their employees. In addition, the new structure of the management team has made it possible to decentralize all (bi)annual interviews to local managers rather than the manager alone. Through the interviews, the performance contracts make it possible to establish a dialogue between all the stakeholders in the organization, including management, supervisors and staff.

4.2.2 Employees objectives to improve HRM performances

The main themes of the objectives of the staff performance contracts are: n°2 Manage (37%), n°4 Train (33%), n°6 Involve (12%), found in similar proportions for both management and staff. This reflects the management team's desire to synchronize in order to drive a collective dynamic, by adopting themes deemed to be priority for the company. For example: 'controlling the customer rejection rate' (attributed to the theme [function n°8, watch) or 'acquiring knowledge about other products on the market' (attributed to the theme [function n°4, train). This indicates the involvement and actions expected from employees, particularly in terms of knowledge transfer, proposals on the management of working hours and work organization, as well as their need for information.
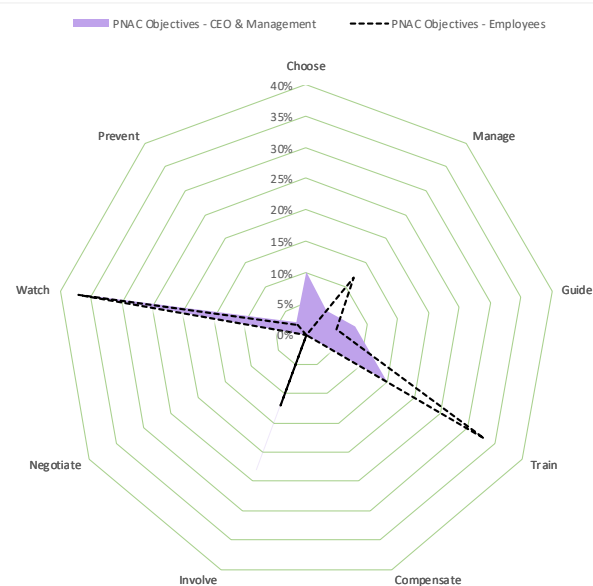

Figure 4 : Convergences and specificities between employees and management

Figure 4 provides a differential mapping of ago-antagonist relationships since the start of research-intervention on HRM themes (Figure 1). Note that agonist relationships corresponded mainly to [manage], [involve], [guide] and to a lesser extent to [choose] and [watch]. Antagonistic tensions were found in [train], [compensate], and [prevent] functions. Notable changes in these ago-

antagonistic relationships can be observed. The contrasts are less marked: the [watch] function is shared equally by the two populations, as is the [train] function, where significant tension was taking place. The functions [manage] and [guide] are shared by management and staff. The function [involve] finds itself in tension contrary to the diagnosis, which can be explained by management's desire to set objectives for staff to encourage them to become involved (and feel involved) in the evolution of the organization. Finally, the HR themes addressed in these performance contracts can help respond directly to the issues raised during the diagnosis phase. The theme of prevention does not appear in the performance contracts, since management has invested in new infrastructure (equipment and packaging lines) to respond to the issues raised during the diagnostic phase. The diagnostic phase showed differentiated perceptions given the place occupied in the organization. The synoptic representation of the objectives reflects a desire to set broad HR policy guidelines and achieve prioritization. In addition, the content of a manager's performance contract is often a reflection of his/her team – i.e., the manager must manage a skills development program, while the employee must negotiate the resources and objectives to be achieved to make this action effective. The limitation of the analysis of performance contracts lies in their nature; a financial reward is associated with the partial or total achievement of objectives. This explains the absence of expression on the theme n°5 compensate, since it is implicitly addressed. Semi-annual performance contracts allow all employees to earn the equivalent of an extra month's salary. This point is significant, all the more so in a company where bonuses (outside the objectives of sales staff) are rarely awarded, or inexistent for certain categories of employees.

5. CONCLUSION

Our objective was to offer a reflection on the development of HRM in SME-type structures by developing the role of local management in terms of people and activities management, to better couple strategic and HR perspectives. The reading grid

mobilized in this context is that of the model of a couple ago-antagonism. Human potential is an organization's only 'active' resource (Delattre & Ocler, 2013) in the sense that the achievement of objectives in a strategic itinerary cannot be envisaged without considering the quality of the contribution of individuals in the organization. This can lead to talk of a specific strategic asset (Dietrich & Pigeyre, 2016) when the relationship between the strategic project and the mobilization of resources is part of a positive dynamic (agonistic): the conditions for strategic compatibility are defined and put in place between the activity carriers and the project under consideration. Furthermore, the relationship between the strategic and HR dimensions can be the source of negative (antagonistic) relations in the case of situations where there is disagreement on a project, feelings of lack of coherence between the means allocated and the targeted objectives or a lack of acceptance of ground rules – which can generate resistance to change or evasion. The relationship between strategy and HR, described previously as an antagonistic couple, underlines the overlapping complexity and interdependence of these two poles. A HR function helps to steer the search for balance, less through the formal dimension of its activities than through the deployment of effective practices. This is also measured by the evolution of the company's overall performance, from 2015 to 2018: our analysis is carried out on three factors: the evolution of turnover, variable expenses and expected hours. In three years, Company S's turnover has increased by 27.1%, with variable expenses proportionally lower than in 2015. Expected hours have decreased (-2.07%), despite the hires made by the company over this period (8 arrivals for 2 departures). The added value created by one hour of work, for one person, on average, in the company, has increased by + 37.2%. At the same time, sick leave absenteeism (a strong indicator of the company's social health) decreased by 74% between 2015 and 2018.

The research-intervention carried out enabled an initial validation of the working hypothesis, considering the initial results obtained: formalization of a structured organization chart of the distribution of tasks and responsibilities,

implementation of individual objective contracts piloted by local management. The limits of this research lie in the exploratory nature and the focus on a single SME. Yet, the longitudinal nature (3 years) of the research generates rich insights into the real autonomy of the actors to capitalise on the systems put in place and ensure a sustainable management of HR at the local level. The objectives defined in the performance contracts have helped to develop the integration of responses to HR-type concerns and, in a second phase, to anchor them through the multiplication carried out as close as possible to team managers. These results highlight the essential role of local managers in integrating and coordinating the HR function within SMEs. Extending the study to other areas would further clarify the role of the local manager as a key link between HRM and strategy in SMEs. Thus, care must be taken when extrapolating to other SMEs.

Finally, the questioning may also relate to hitherto unexplored or insufficiently explored alternatives of HRM practices, in particular through experimentation on micro-firms in other sectors or other types of organizations: associations, charities or cooperatives, or even in companies with over 250 employees. In the same way, the crisis generated by the Covid-19 global pandemic leads us to question the development of the role of the proximity manager in accordance with the development of new forms of work.

6. BIBLIOGRAPHIE

Ageron, B., & Lavastre, O. (2015). L'innovation managériale dans le supply chain management : étude des facteurs d'influence. *Revue Française de Gestion Industrielle, 34(4)*, 73–89. https://doi.org/10.53102/2015.34.04.832

Amblard H., Bernoux, P. et Herreros G. (2015), *Les nouvelles approches sociologiques des organisations*. Le Seuil.

Argyris C et Schön D. (1996), *Organizational Learning II: Theory, method and practice*. Menlo Park California, Addison-Wesley.

Arlotto J., Cyr, A., Meier O. et Pacitto J. C. (2011), Très petite entreprise et croissance: à la découverte d'un continent inexploré. *Management et Avenir*, (3), 16-36. https://doi.org/10.3917/mav.043.0016

Bousquet C. (2018), L'articulation des compétences individuelles et collectives, PhD, Université Jean Moulin Lyon 3, 356 p.

Delattre M. et Ocler R. (2013), Professionalism and organization: polysemy of concepts and narratives of actors, Society and Business Review, Vol. 8 Iss: 1, pp. 18-31. https://doi.org/10.1108/17465681311297649

Delattre M. et Roche A. (2018), «Proximité dans les TPE? Oui, mais la bonne?», 15ème Congrès ADERSE, Paris, France.

Avenier M.J. (2005), *La stratégie chemin faisant,* Economica.

Bernard-Weil E. (1994), Réévaluation des concepts d'auto-organisation et d'émergence à la lumière de la systémique ago-antagoniste. *Revue Internationale de Systémique*, 3, 315-335. http://www.res-systemica.org/ris/vol-08/vol08-num-03/ris-vol08-num03-p315-335.pdf

Bootz J.-P., Schenk E. et Sonntag M. (2014). Gestion des compétences, stratégie et accompagnement du dirigeant de PME, in M.-A. Villet, Gérer les RH dans les PME, de la théorie à la pratique, Vuibert, 197-211.

Bootz, J., Schenk, E. et Sonntag, M. (2017). Gestion stratégique des compétences en PME: Les enseignements d'une recherche-intervention. Revue française de gestion, 267(6), 25-43. https://doi.org/10.3166/rfg.2017.00152

Buono A.F, Savall H., Cappelletti L. (2018), La recherche-intervention dans les entreprises et les organisations: de la conception à la publication, Éditions IAP-Information Age publishing, États-Unis.

Cappelletti L. (2007), L'exploitation des pratiques professionnelles dans une recherche en audit et contrôle: apports de la recherche intervention qualimétrique, *Revue Sciences de gestion*, n°59, pp. 67-90. https://hal-cnam.archives-ouvertes.fr/hal-02100155

Cazal D. et Dietrich A. (2003), Compétences et savoirs: entre GRH et stratégie? *Les cahiers de la Recherche du CLAREE*, janvier.

Conner J. et Ulrich D. (1996), *Human resource roles: Creating value, not rhetoric. People and Strategy*, 19(3), 38. https://link.gale.com/apps/doc/A18916280/AONE?u=anon~930dd7a0&sid=googleScholar&xid=de7f426b

Cooke, F. L., Saini, D. S. (2010). (How) Does the HR strategy support an innovation-oriented business strategy? An investigation of institutional context and organizational practices in Indian firms. Human Resource Management: Published in Cooperation with the School of Business Administration, The University of Michigan and in alliance with the Society of Human Resources

Management, 49(3), 377-400. https://doi.org/10.1002/hrm.20356

David A. (2000), La recherche intervention, un cadre général pour les sciences de gestion?, *IXème Conférence Internationale de Management Stratégique*, Montpellier, 24 au 26 mai 2000.

Defélix C., Mazzilli I., Gosselin A. (2012). Articuler les politiques de GRH et les stratégies d'innovation: proposition d'un modèle. Cahier de recherche n°2012-02 E1. 2012, 17 p.

Denis J. P. (2002), Retour sur les principes d'articulation entre contrôle et stratégie-une perspective ago-antagoniste. *In Conférence de l'Association Internationale de Management Stratégique*.

Dietrich A. (2009), Le manager intermédiaire ou la GRH mise en scène. *Management et avenir*, (1), 196-206. https://doi.org/10.3917/mav.021.0196

Dietrich A. et Pigeyre F. (2016), *La Gestion des Ressources Humaines*, coll., Paris, Éditions la Découverte.

Fourcade, C., Gallego, V., Polge, M. et Saoudi, L. (2010). De la Gestion des Ressources Humaines à l'Animation des Relations Humaines. Le cas des entreprises artisanales, *Management et Avenir*, 40(10), 141-157. https://doi.org/10.3917/mav.040.0141.

Godener A. (2002), PME en croissance: peut-on prévoir les seuils organisationnels? *Revue internationale PME: économie et gestion de la petite et moyenne entreprise* (N°15.1), 2002: p.39-63. https://doi.org/10.7202/1008800ar

Gosset P. et Laurence G. (2005). Les grands défis des managers intermédiaires à l'ère de l'entreprise distribuée et à l'épreuve des réseaux. *Revue Française de Gestion Industrielle,* 24(4), 71–98. https://doi.org/10.53102/2005.24.04.483

Hausman, A. (2005), Innovativeness among small businesses: Theory and propositions for future research, *Industrial Marketing Management,* 34(8), 773-78266. https://doi.org/10.1016/j.indmarman.2004.12.009

Krohmer C. et Retour D. (2006), «La compétence collective, maillon clé de la gestion des compétences», in Defélix C., Klarsfeld A., Oiry E., *Nouveaux regards sur la gestion des compétences*, Paris, Vuibert. halshs-00458410

Lawler E.E., Boudreau J. W. et Mohrman S. A. (2006), *Achieving strategic excellence*.

Le Boterf G. (2000), *Construire les compétences individuelles et collectives*, Les Éditions d'Organisation.

Le Boulaire M. et Retour D. (2008), Gestion des compétences, stratégie et performance de l'entreprise: quel est le rôle de la fonction RH ? *Revue de gestion des ressources humaines*, *70*, 51-68. http://www.revuegrh.fr/wa_files/RGRH_2070_20Sommaire.pdf

Louart P. (1995), *Succès de l'intervention en ressources humaines*, Paris, Éditions Liaisons.

Mahé de Boislandelle H. (1990), La gestion des ressources humaines dans les PME, Revue internationale P.M.E., Volume 3, Number 1, 1990, 27-37. https://doi.org/10.7202/1007944ar

Mahé de Boislandelle H. (1994), Esquisse d'une théorisation de la GRH en PME, Actes du 5ème Congrès de l'AGRH, Montpellier, 11 p.

Marchesnay M. (2003), La petite entreprise sortir de l'ignorance, *Revue Française de Gestion,* n°144, mai-juin, p. 107-118. https://doi.org/10.3166/RFG.144.107-118

McKelvey B. (2006), Van De Ven and Johnson's 'engaged scholarship': Nice try, but…, *Academy of Management Review*, *31*(4), 822-829. ISSN: 0363-7425 , 1930-3807

Millet D., Aoussat A., Thouvenin E. et Vargas L. (2003), Proposition d'une démarche pour construire un processus d'innovation en PME, *Revue Française de Gestion Industrielle, 22(2)*, 53–71. https://doi.org/10.53102/2003.22.02.403

Mintzberg H. (2009), Rebuilding companies as communities. *Harvard business review*, 87(7/8), 140-143. ISSN: 0017-8012 , 0017-8012

Morin E. (1980). *La méthode, tome 2. La vie de la Vie.* Paris: Editions Seuil.

Moss Kanter R. (2004), The middle manager as innovator. *Harvard business review*, 82(7-8), 150-161. https://hbr.org/2004/07/the-middle-manager-as-innovator

Payre, S. (2017), Les PME françaises s'occupent-elles de leurs managers? Principaux dysfonctionnements managériaux et RH à l'origine des difficultés de prise en charge d'une fonction d'encadrement, Dans Revue de gestion des ressources humaines 2017/2 (N° 104), pages 35 à 60. https://doi.org/10.3917/grhu.104.0035

Peretti J. M. (2018), *Gestion des ressources humaines*. 22ème édition. Paris: Vuibert.p.14.

Perroux F. (1975), *Unités actives et mathématiques nouvelles, révision de la théorie de l'équilibre économique général*, Dunod, 274 p., p. 71.

Pigeyre F. (2006), *Les modèles d'analyse de la GRH. Management et gestion des ressources humaines: stratégies, acteurs et pratiques*.

https://media.eduscol.education.fr/file/Formation_continue_enseignants/35/3/GRH_actes_110353.pdf

Plane J.-M. (2000), *Méthodes de recherches interventions en management*, L'Harmattan.

Réale Y. et Dufour B. (2006), Le DRH stratège, Paris, Éditions d'Organisation, 288 p.

Roche, A. (2017), Reconnaissance au travail VS mépris et déni: reconnaître l'existence et l'évolution positive des salariés. *Management et Sciences Sociales*, (24), 81-94. https://hal.archives-ouvertes.fr/hal-01894941

Ruel S. et Gresolle M. (2022), Supply chain management & avantages compétitifs des Très Petites Entreprises : à l'épreuve de leur manque de ressources, *Revue Française de Gestion Industrielle, 2022,36(2*),07-28. https://doi.org/10.53102/2022.36.02.860

Savall H. (1975), *Enrichir le travail humain: l'évaluation économique*, Ed. Dunod, 1975, nouvelle édition augmentée Economica, 1989, 269 p.

Savall H. et Zardet V. (1987, 2015), *Maîtriser les coûts cachés et les performances cachés*. Le contrat d'activité périodiquement négociable, Economica, Prix Harvard - L'expansion du Management stratégique, 1e éd. 1987, 6e éd. 2015.

Savall H. et Zardet V. (1995), Management socio-économique de l'entreprise: ou comment régénérer confiance et performances *in* Bidault F., PY Gomez et G. Marion, Confiance, Entreprise et société, Editions Eska, p 163-180.

Savall H. et Zardet V. (2004), *Recherche en sciences de gestion: approche qualimétrique. Observer l'objet complexe.* Paris: Economica.

Savall H. et Zardet V. (2005), *Ingénierie stratégique du roseau (2ème édition),* Economica.

Savall H. et Zardet V. (2015). Thème n°3. La mobilisation, l'engagement, l'adhésion des ressources humaines et des managers, @*GRH 2015*/4 (n° 17), p. 93-94. https://doi.org/10.3917/grh.154.0093

Schumacher E.F. (1973), Small is beautiful, London. Blond & Briggs.

Torrès O. (2003), Petitesse des entreprises et grossissement des effets de proximité, *Revue française de gestion*, vol. 144, p. 119-138. https://doi.org/10.3166/rfg.144.119-138

Torrès O. (2004), *Essai de théorisation de la gestion des PME: de la mondialisation à la proxémie*, Mémoire d'habilitation à diriger des recherches en sciences de gestion, IAE de Caen. https://www.oliviertorres.net/travaux/pdf/hdrtorres.pdf

Torrès O. et Enrico G. (2014), Petitesse des entreprises et gestion des ressources humaines: le rôle clé de la proximité, in M-A. Villette, *Gérer les RH dans les PME* – De la théorie à la pratique. Paris, Vuibert, 13-30. https://hal.umontpellier.fr/hal-02106838

Trousselle Y. (2014), *Les mécanismes de la résilience organisationnelle* (Doctoral thesis, Tours).

Wacheux F. (1996), *Méthodes qualitatives et recherches en gestion*, Economica.

Worley C. G., Zardet, V., Bonnet, M. et Savall, A. (2015), *Becoming Agile: How the SEAM Approach to Management Builds Adaptability*. John Wiley et Sons.

7. BIOGRAPHY

Carole Bousquet is an assistant professor at IDRAC Business School, specializing in Change Management, HRM and Strategy. Trained in intervention-research since 2014, she defended her doctoral thesis in 2018 on the articulation between individual and collective competencies to corporate strategy. On the international scientific level, she is currently an elected representative of the Management Consulting Division of the Academy of Management (USA) and a member of the Scientific Committee of the *Observatoire du Rebond* (Entrepreneurship). Her academic work focuses on the articulation between HRM and strategy, human potential, and the strategic development of small and medium-sized companies, and is linked to other fields such as CSR, marketing, psychology and sociology.

Miguel Delattre is a research professor at the IAE of Lyon (Jean-Moulin University), member of the of ISEOR and Magellan research centers. He holds a PhD in management science and has conducted and he has conducted and participated for more than 25 years in long-term research interventions to support change in companies and organizations of various sizes and sectors. His current work focuses

on the contribution of social variables to organizational systems and performance development.

Jessica Lichy: Passionate for 'digital', Jessica Lichy has an MBA, PhD and post-doc 'HDR' in online/digital consumer behaviour, adopting an inter-generation and cross-cultural approach. She is employed as a research professor at IDRAC Business School (France) and is a research-active visiting professor at University of Sunderland. Research-in-progress includes tracing evolution in the consumption of social technologies and technology innovation from an end-user perspective.

[1]*Carole Bousquet, Professeur assistant, IDRAC Business School, carole.bousquet@idraclyon.com,* : *https://orcid.org/0000-0002-6861-3861*

[2] ***Miguel Delattre**, Maître de conférences, Université Jean Moulin Lyon 3,* iaelyon School of Management, UR Magellan , *miguel.delattre@univ-lyon3.fr,* : *https://orcid.org/0009-0000-6380-2420*

[3] *Jessica Lichy , Professeur associé, jessica.lichy1@idraclyon.com ,* : *https://orcid.org/0000-0002-7091-9448*