



The power of the heart

Impact study and reflections on the
transformation of corporate governance
through heart intelligence

Clara Houzelot

Head of Research at Prophil

With contributions from Timothé Miot
and Geneviève Ferone Creuzet

**RESEARCH
REPORT**

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Executive summary

In June 2021, Heart Leadership University (HLU) launched “Straight from the Heart”, an executive education program designed to help managers develop their heart intelligence and put it into practice in their companies. **Heart intelligence** is conceived as a way of making decisions that “**goes beyond the rational**” and “**allows us to connect with others, to function with intuition**”¹, at the **confluence of courage**, intuition, and empathy. One of HLU's ambitions for this program is to transform corporate governance through its leaders to make it more conducive to the expression of heart intelligence.

Behind this ambition lies an observation: **the intuitions of managers are at the heart of corporate governance and strategic decision-making**. The power relationships that make up governance result from an **ongoing interaction between the individual initiatives of managers and the governance structures and practices that exist within the company as a whole**. From this perspective, **the heart intelligence demonstrated by the company's executives becomes a lever for transforming the company**.

THE RESEARCH PROGRAM: OBJECTIVE AND FIELD OF STUDY

The HLU teams therefore embarked on a research program with Prophil to **shed light on the interrelationships between heart intelligence and governance** and to study the impact of the course on the governance of the companies represented and on the governance practices of the participating executives.

In particular, the aim was to identify specific patterns of governance – recognizable structures, institutionalized or latent practices – and to understand how they might be more or less conducive to the expression of managers' heart intelligence. This report sets out the results of this research program.

To carry out this program, we were able to draw on multidisciplinary academic literature on the subject of governance. We drew on the distinction drawn by Pierre-Yves Gomez between constituent, sovereign, executive and supervisory powers. We were thus able to observe **the extent to which heart intelligence was hindered or**

¹ Jean-Noël Thorel, founder of HLU and the NAOS group

encouraged by the different powers, depending on the forms they adopted and the way in which it influenced and infused each of these powers in turn.

We also drew on a **unique field of expertise: the participants in the first edition of the “Straight from the Heart” course**. Coming from organizations of a variety of industries, sizes and statuses, the participants had one thing in common: they held a management position, either as a founding director, a shareholder director, or a member of their organization's executive committee. As a result, despite the limited sample size, we had **access to a varied range of situations providing a broad overview of the interactions between heart intelligence and governance**.

Prophil followed the participants throughout the course, from June 2021 to January 2023. To study the **transformation of corporate governance through the lens of heart intelligence**, two main lines of enquiry were selected: **to study the impact of the “Straight from the Heart” program on (I) the governance practices of managers, and (II) on the governance of the participating organizations**. Our report also analyzes the **variables that facilitate** (or, on the contrary, block) **the expression of heart intelligence within the governance of organizations**; lastly, and some hypotheses are presented in part III.

A TRANSFORMATIVE JOURNEY, WHICH IDENTIFIES SEVERAL LEVERS OF HEART GOVERNANCE.



In the first part, we confirm that **the program has had a transformative effect on the managers**. They became aware of their role and of the leverage provided by governance. The tools provided by the program strengthened their ability to act. Because the course taught them to mobilize their heart intelligence more effectively, **the participants gained in legitimacy and were able to deploy their courage, intuition, and empathy to transform the governance of their company**.

The second part looks at **the changes in governance that the program brought about or facilitated in all the companies represented**. The participants who were **majority shareholders in** (and/or founders of) their companies found the program an opportunity to reflect on the issues of **transmission and dispossession**, whether these concerned material and financial concerns or an intangible system of values. These reflections may have led to changes in the company's articles of association or to greater sharing of governance through structural and/or informal transformations. **Non-shareholder managers** mobilized their heart intelligence to transform their governance **“from below”**, by deploying various strategies that we analyze in the rest of this report.

This observation leads us to see governance as a **factor which acts at best as a facilitating framework** and at worst as a brake, but which always gives way to individual initiatives if they are sufficiently equipped. **The structure usually changes at a later stage to validate and anchor the changes brought about by the**

breakthrough initiatives of individuals. That said, governance may have been either a significant support or a hindrance to the expression of our participants' heart intelligence.

This is why the third part of this report **looks at the factors that make corporate governance a facilitating framework for the expression of the heart intelligence of managers.** Three characteristics stand out: **the existence of legal provisions that anchor in the articles of association an ambition that is consistent with heart intelligence** (setting out a mission in the articles of association, transferring part of the shares to a shareholder foundation, etc.); **the sharing of power** that limits the excesses associated with the power of a single person and gives greater legitimacy to non-shareholder directors; and **the presence of a culture of heart intelligence that encourages the emergence of a “collective heart”** capable of supporting transformations in governance.

SEVERAL AVENUES OF RESEARCH TO EXTEND THE FINDINGS OF THE STUDY



It would seem appropriate **to conduct a similar cohort-based follow-up** to study the impact of the career path over the longer term and offer a comparison between course cohorts.

More in-depth case studies in specific companies, characterized by a singular inclusion of heart intelligence in their governance, could also shed new light on our understanding of these interactions. Finally, our report focuses primarily on the links between heart intelligence and governance. **It would also be relevant to explore its effects on the strategic orientations of companies,** and on their consideration of social and environmental issues.

INTRODUCTION

A CONTEXT AND SCOPE OF THE STUDY

Heart Leadership University (HLU) has set itself the mission of creating a **disruptive university to transform leaders and organizations through heart intelligence**. A cross between emotions, love, empathy, intuition and courage, Heart Intelligence enables us to make decisions that are not limited to what is considered rational, supported by logic and numbers. Heart intelligence is cultivated around three fundamentals: trusting your **intuition** and strengthening it to innovate differently, having the **courage** to be yourself, to assume your values and act accordingly, and developing **empathy** by learning to better connect with others and your environment, to create products and services that are useful to the world.

HLU has designed “**Straight from the Heart**”, an 18-month *executive education* program designed to develop heart intelligence in managers. Through eight successive thematic and immersive modules, participants experiment with Heart Intelligence and acquire the tools they need to achieve the individual and organizational transformation objectives they set themselves at the start of the program².

The first edition of the “**Straight from the Heart**” training program, which ran from June 2021 to January 2023, was also used to study two complementary action-research programs.

- The aim of the “**Heart intelligence in action: brakes and levers**” program is to study heart intelligence in practice among the managers taking part in the program. It is directed by Stéphane La Branche, a sociologist with GIECO, the International Group of Experts on Behavior Change in relation to the ecological and social transition³.
- **The Power of the Heart program focuses on the development of heart intelligence in governance practices.** The aim of this research is to assess the impact of the program on the practices and forms of governance in the participating organizations and to study **the variables that help or hinder the expression of heart intelligence**. It is directed by Clara Houzelot, Head of Research at **Prophil**, a consultancy specializing in corporate contributions for the common good and related governance models⁴.

² More information: <https://www.heartleadershipuniversity.org/en/formation-intelligence-dirigeant/management-intelligence-cadre/>

³ More information: <https://www.ipbc.science/>

⁴ More information: <https://prophil.eu/>

B AN EXPLORATORY STUDY

In line with its mission to promote leadership driven by the heart and in so doing transform the leader and his or her company, HLU also conducts **independent, cross-disciplinary research into rarely investigated subjects**.

This research is therefore of an eminently exploratory nature: the field of heart intelligence is not the subject of any academic knowledge or even of a consistent definition. Jean-Noël Thorel, founder of HLU, proposes the following definition: “Heart intelligence goes beyond the rational. It allows us to connect with others, to function with intuition. Those who make decisions must consider the “other” in the most generic sense, i.e., the environment, nature, animals, and other human beings. The definition of this concept had not yet been stabilized at the start of our research program and became clearer as the research work progressed and through exchanges with HLU.

Similarly, governance is a field of study that has largely been approached through the prism of management science embracing efficiency to maximize shareholder benefits. This is why the study conducted by HLU and Prophil adopts a particularly innovative approach by linking the subject to that of heart intelligence. **Looking at governance through the prism of heart intelligence means “starting from scratch” and adopting an eminently exploratory approach.**

Conventionally, governance is defined as:

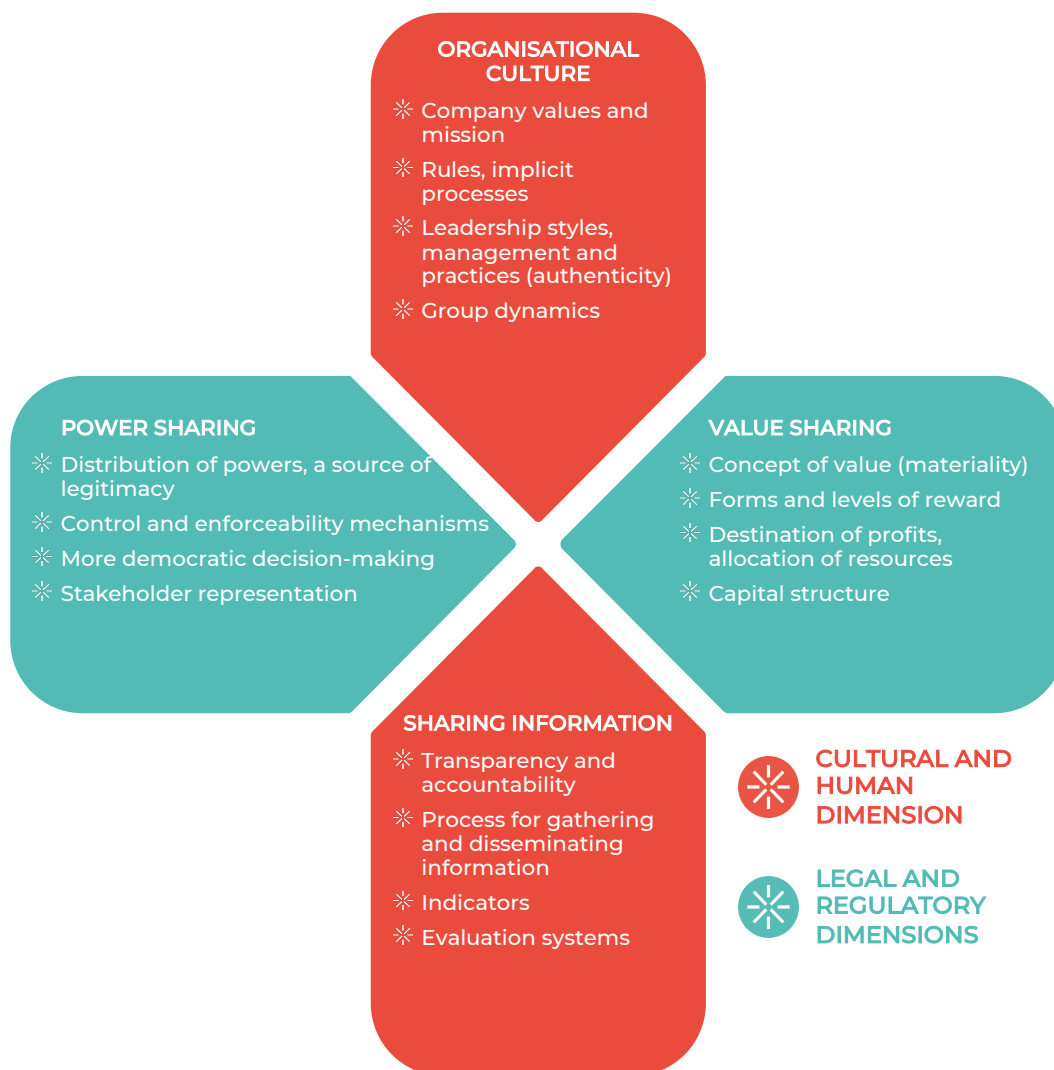
“A set of legal, regulatory and practical provisions that delimit the extent of the power and responsibilities of those responsible for guiding the company in the long term. Guiding the company means taking and controlling the decisions that have a decisive effect on its permanence and therefore its sustainable performance”⁵ (Gomez, 2018 pp. 12-13 - our translation)

The legal dimension refers to the governance obligations with which companies must comply depending on their legal form (e.g., public limited company, private limited company, cooperative, etc.), any approvals or qualifications they may have (e.g., approval as an Entreprise Solidaire d'Utilité Sociale (ESUS), company with a mission) and their size. It defines **the “formal” framework of governance** (hard law), within which companies are nevertheless free to set **their own operating rules** (soft law) using various tools: articles of association and shareholders' agreements, internal regulations, a charter of commitments, a code of ethics, etc.

⁵ It should be noted that the author refers to the term “sustainable” in terms of long-term viability and does not specify the implications for the company's “sustainable development” policy.

Beyond the framework set by legal and regulatory standards (rationalist factors), corporate governance is defined above all **by practices**, “i.e., by the behaviors, ways of doing things of the governance players and the power relationships or personal interactions they have with each other.” (Gomez, 2018, p.11 – our translation). This refers to **the “cultural” dimension of the organization** (set of values, implicit norms, dynamics of interactions, informal processes, etc.) and to **the impact of the human factor** in corporate governance, directly linked to the ethics of the governors.

In the remainder of this report, we will use these definitions to examine the place and role of heart intelligence in governance.



THE MAJOR ISSUES AND DIMENSIONS OF GOVERNANCE

C OUR FIELD OF STUDY

Our research is exploratory in another respect: the leaders of the first cohort to complete the “Straight from the Heart” program are the pioneers of this pilot edition. This cohort consisted of a heterogeneous group **of twelve male and female managers representing ten organizations made up of nine companies and one association**. The spread of organizations covered a wide range of sizes and sectors with headcounts ranging from 1 to 3,000 employees and turnovers ranging from one million to over .600 million euros, and operating in sectors such as the press, insurance, consultancy, cosmetics, cleaning equipment and construction. All the companies have their own governance structure (see detailed presentation of the sample and summary table in the appendix).

They agreed to be the “guinea pigs” for this research and we would like to thank them sincerely. **This report presents the experiences of seven participants⁶**, who can be divided into two groups according to their position in their organization:

- **Three are non-shareholder directors of their company, either employees or corporate officers:** Jérôme Decroix (Administrative and Financial Director at Roole), Mira Draganova (Director of the Central Eastern Europe region at Naos) and Florence Guémy (Managing Director of Bayard, corporate officer).
- **Four manage and chair their structure and are the majority shareholder where applicable:** Anne Charpy (CEO of the Voisin Malin association), Odile Ehrbar (CEO of Adaxo), Michel Meunier (CEO of Janus France) and Cyrille Vu (CEO of SeaBird). Details of the sample are given in the Appendix.

Given the sample (small number of executives, heterogeneity of their backgrounds and organizations), the purpose of the study was not so much to establish correlations or causal links between forms of governance and the expression of Heart Intelligence as to conduct exploratory research and formulate initial hypotheses.

For more information on the companies and executives involved and on the methodology, please refer to the appendices.

⁶ These participants were selected in particular because of the accessibility of the data (responses to the questionnaire and/or attendance at the focus group). See methodology and list of participants in the appendix.

I A transformative journey for managers

This first part is devoted to **presenting the results of the study of the impact of the “Straight from the Heart” program on the participating executives**. Firstly, we will see that all the managers became aware of the strategic nature of governance and the potential for transformation for their organization (A). In addition, the course gave them a certain amount of power to act, in the sense of permission/legitimacy and the power to act (B). The development of heart intelligence and of various skills (intuition, courage, empathy) strengthened the expression of the leaders' leadership and motivated them to take action to change the governance of their organization (C).

A GOVERNANCE: FROM A DE FACTO STATUS TO A STRATEGIC CHALLENGE

The “Straight from the Heart” course, and in particular module 3 on governance, enabled managers to (re)discover this topic, its different dimensions and the strategic implications for the organization. As with each module, the content was a combination of meetings with entrepreneurs (in this case Alexis Nollet and the Ulteria team), exchanges between peers (relationship to power, governance models) and insights from experts (definition and challenges of governance, presentation of the shareholder foundation model).

This is the starting point for the changes (and the first impact) which this report relates: **any act of transformation is first and foremost rooted in an individual's desire to drive change** and consequently in an awareness of the importance of what is at stake.

It is surprising to note that **most of the participants initially saw governance as a state of affairs that they did not necessarily question**.

This may seem paradoxical given their role as managers and their involvement in their organization's governance bodies. For some, particularly the managers of VSEs/SMEs, governance was “a dirty word”, a field of thought reserved for large groups, conjuring up images of structural constraints and power relations between the various stakeholders.

Most of the non-shareholder directors had not really thought about the various aspects of their company's governance, believing that they had little room for manoeuvre to change it, as Florence Guémy (Bayard) has shown:

I became aware of the strategic nature of governance. I'd never thought about it in this way because I'm not an entrepreneur, I'm part of an existing company with one shareholder, and what's more, I'm part of a collective management team that's been around for 150 years.

The participants therefore arrived **with varying degrees of understanding of the subject**.

Some had initiated changes in their company's governance structure: Michel Meunier had adopted the status of mission-driven company for Janus in 2020; Cyrille Vu had changed the ownership and value-sharing model at SeaBird through employee shareholding and the shareholder foundation in 2019; Florence Guémy had studied the implementation of the mission-driven company at Bayard. Anne Charpy, founder and director of the Voisin Malin association, had reviewed the composition and operation of its board of directors and set up an executive committee given a high degree of decision-making.



FOCUS ON THE MISSION-LED COMPANY AND THE SHAREHOLDER FOUNDATION

The mission-driven company is a legal status introduced by the 2019 PACTE Act, which transposes a model inspired by the United States into French law. Adopting this status means defining in the company's articles of association a *raison d'être* and social and environmental impact objectives that it must pursue as part of its activities. It also involves setting up a governance body (the “mission committee”) made up of various stakeholders responsible for monitoring and evaluating the execution of the mission (which is also monitored by an independent third-party organization).

The shareholder foundation model is a corporate ownership and governance model imported from northern Europe. It involves a foundation or similar public interest body holding all or part of a company's capital and associated voting rights. The foundation, which does not belong to anyone and cannot therefore be bought out, protects the company and its project on the basis of the mandate given to it. It is by definition a shareholder of general interest, stable and long-term. Through dividends or other donations, it also fulfils a philanthropic mission by supporting causes of general interest, creating a virtuous circle in terms of value sharing.

These two models were pioneered by Prophil in France.

To find out more, go to: <https://prophil.eu/pole-recherche>

Module three enabled everyone to become more **aware of the different dimensions of governance and the strategic issues** involved: power sharing, ownership and transmission models, the company's vision and mission, stakeholder involvement, etc. By the end of the course, **their thinking had evolved to become much more cross-discipline and in-depth, even among those who initially thought they were more advanced on governance issues**, as Cyrille Vu (SeaBird) commented:

I'm more acutely aware of the strategic importance of thinking about governance, which must evolve in proportion to the size and growing complexity of the organization.

Although the “**Straight from the Heart**” project did not radically transform the company's outlook, the deepening of discussions within and outside the project led it to review the way its governance bodies operate (see part II).

In addition to the awareness of possible transformations – thanks to the examples and sharing of experience between peers – there is the awareness of one's power as a manager to act on governance, even for those who do not have the “sovereign power” in the company – traditionally conferred on the shareholder (see appendix).

B THE TRANSFORMATIVE POWER OF THE HEART OR THE LEGITIMATE POWER TO ACT

The development of heart intelligence has given power to managers in the sense of a legitimate capacity for action. The program revealed the managers' individual “latent capacity” to act within a given scope, **particularly in the case of those who did not have statutory authority or formal power, for example through their job description.** Mira Draganova (Naos) commented on the “increased power” that the program gave her:

Thanks to HLU, I feel “empowered” to act, even though I'm not the owner or the “top-level” manager of the company. I feel in a position to act, to adjust governance from below. I'm trying to have an impact, to explain our shortcomings and the benefits of changing governance.

This involves making **a distinction between the power conferred structurally on an individual by the organization and its regulations** (bylaws, job description, etc.), and the exercise of that power: “power as a latent capacity is not always intentional and conscious, unlike the exercise of that capacity” (Lukes, 2005).

In other words, **what distinguishes power from the exercise of that power lies in the intentionality and action of individuals:** someone may hold a certain amount of power under the company statutes but believe that they do not hold it in terms of the organization of the structure. On the other hand, if they are aware of the power they hold, they can decide whether or not to exercise it. HLU has enabled a number of managers to become aware of their ability to act and influence the company, even in the “highest sphere” of governance, as Jérôme Decroix (Roole) has shown:

A year and a half ago, I was a finance director who was just trying to get a finance department up and running. Today, I'm a senior executive and an important link in the overall governance of the company. This allows me to go beyond my role, even if the framework for that has not yet been set. I have become aware of this role, of the qualities one needs to fulfil it and of the shortcomings when the governance framework is not pre-existing or constructed.

This means that even executives who do not have “formal” power in the sense of “permission”⁷, can ultimately exercise power in the sense of the ability to act or influence the organization. Going beyond the formal permission framework of a structure and “going beyond one's function” requires a certain amount of courage, of being oneself and breaking the rules or opposing the hierarchy:

*For me, **going above and beyond the call of duty is tantamount to “going the extra mile”.** You take risks by expressing yourself on subjects that are outside your job description, and you show courage. I've often been criticized and asked why I meddle in matters that don't concern me. It's difficult when there are only a few of us doing it, but I'm more and more convinced that it's the right thing to do.*

Mira Draganova

HLU first gave me the courage to assume my role, to realize that I could decide, that I had the answers within me and that I had to listen to myself. There is an initial phase of courage and then of legitimacy, which has built up gradually, thanks to the various modules. I feel legitimate for having convictions, for arguing their case and for giving my opinion transparently.

I also felt legitimate because I had the courage to implement what I wanted within my senior management team. [...] When I'm at a board meeting, I'm not just there to give my opinion on the financial aspects of projects.

I feel empowered to talk about the weak signals I've identified, without even mentioning the financial aspects. Even though I sometimes go back to wearing my CFO hat, I don't limit myself to just dealing with the figures.

Jérôme Decroix

*The question I ask myself is this: what is it that creates a commitment to the company's mission? Why do I go to all the trouble of trying to convince people, despite all the red tape and difficulties, and accept that I won't necessarily succeed? For me, it's more a question of **intuition about the common good** that the company can do and a desire to see it continue [...]. **It takes courage to overcome the discomfort of having to convince people:** I didn't have to, and I could have stopped the process. It's very uncomfortable to be constantly confronted with the suspicion of some people who think that business and mission are incompatible, that I'm some kind of do-gooder, of well-meaning goody-goodies. I try to show them that it's not about watering down what business is about.*

Florence Guémy

In this way, HLU has “sublimated” for some, or “revealed and legitimised” for others, their power – and consequently their freedom – to act despite the restrictions to which they are subject, because they have been able to mobilize the skills of the

⁷ Permission is one of the meanings covered by the term “power”: an individual also has the power to do something if s/he is “authorised” to do so or if s/he has the “permission” to do so, which can be formal or informal and conferred by a third party or by oneself.

heart: courage, but also empathy and intuition, other skills that have changed the expression of their leadership within the governance of their organization.

C STRENGTHENED LEADERSHIP

Because it involves an exercise in introspection and deep, multi-dimensional self-examination, the Heart in Action program **has helped participants develop their understanding of their role and objectives as directors and their relationship with power, which has an impact on their leadership and their relationship with governance**⁸. Florence Guémy, for example, says that HLU “changed my relationship with myself. I had a rather prescriptive idea of what a leader is. HLU enabled me to discover myself, to accept who I was as a leader, and helped me to formulate the governance that I wanted to implement. Jérôme Decroix said that HLU enabled him to “clarify his objectives and his compass” and thus “adapt his strategy”. Cyrille Vu noticed a change in his behavior in his day-to-day interactions, particularly within governance bodies:

HLU makes us work on ourselves, on our relationship with power and with ourself, on the size of our ego and the way in which it can damage or, if it's in the right place, nourish our interaction with others. All this means that in day-to-day interactions, for example on strategic committees, I'm probably a little more and better aligned than before, and, I hope, fairer in my governance. [I'm more reflective about how I react to disagreements]. I don't just take rational elements into account; I somehow rebalance the left and right sides of the brain in my interactions.

Cyrille Vu

According to the participants, the HLU pathway **reinforced skills that were already present**, even though everyone obviously has room for improvement and elements specific to themselves. **An assessment of the close professional circle of the three executives**⁹ **who distributed our questionnaire backs this up**: Cyrille Vu, Michel Meunier and Florence Guémy are regarded as leading with the heart. **Nevertheless, each has specific characteristics that stand out**, such as empathy in the case of Florence Guémy (“very attentive to others and passionate”, “sensitive to the emotions of her colleagues and to her own emotions”) and Cyrille Vu (“his spontaneity and the impetus for his actions are very often driven by his heart intelligence” [courage and empathy]) or the commitment of Michel Meunier (“someone who is very sensitive, attentive to others and demanding of others too”) and **room for improvement**¹⁰. Similarly, the leaders interviewed in the focus groups spoke of their intuitive profile:

⁸ The information gathered did not allow us to carry out an in-depth analysis of the leaders' leadership profile upstream, which is why this report is based on a cross-analysis of various data collected during the course. Please refer to Stéphane La Branche's report: [Heart intelligence in action: obstacles and levers](#) (2023) for a more detailed analysis of the impact of the course on executive leadership transformation.

⁹ We distributed governance questionnaires to Michel Meunier's close colleagues (but received only 5 out of 18 responses), Florence Guémy (5 respondents out of the five targeted direct subordinates) and Cyrille Vu (28 respondents out of the associate managers targeted).

¹⁰ Some respondents criticized the mismatch between words and deeds at SeaBird and Janus.

That was HLU's most important role: to make me understand that I was on the right track and that I had to keep going. Now I have more faith in myself and my way of doing things because I was very intuitive. For example, the Human Resources (HR) function was failing in the company.

To understand its shortcomings, I used the systemic workshop and carried out a power analysis. There was joint responsibility for certain issues, but we didn't really know who was in charge. Now I'm trying to explain this to the stakeholders, to the executives, and to suggest a different way of operating. [...]. I'm going to be more active and more proactive in trying to correct shortcomings in the company.

Mira Draganova

A year and a half ago, at the start of the course, I got my management committee together to spend three days in the country, and I took a huge risk to share some whimsical and crazy ideas about how I saw Voisin Malin's future.

I showed them a video of the blob, a creature that eludes all categorization and scientific analysis that opens up a whole new world of possibilities. I told them that I saw Voisin Malin as a blob. Then I showed them a video about seed bombs, used by urban "guerrillas" to add greenery to cities. For no particular reason, but it made them think and explore other dimensions.

"I had faith in myself, I followed my intuition, and in the end, they were unsettled but inspired and stimulated".

Anne Charpy

*I organized an annual seminar with our various stakeholders, for which I simply hired a boat for four hours, without preparing a program – I didn't really have the time – or a PowerPoint presentation with the year's results or objectives. I simply asked them what they wanted to achieve next year, both in material terms (how much do you want to earn, what kind of clients and territories you want to win...) and in immaterial terms. Some wonderful things came out of this, for example: "waking up without an alarm clock and saying to myself "how lucky I am to do this job" and "I'm not afraid of the future"; or "I realized that I didn't need cold, hard business development but that it was possible to do it with the warmth of the heart". I gave myself permission to go off the record, to step outside the annual seminar framework, and it turned out to be 90% from the heart and 10% conventional. [...] **It's nothing new, I've been managing my business with intuition for quite a few years now.***

Odile Ehrbar – ADAXO

Beyond intuition, the participants learned to mobilize their empathy to adapt their discourse to their interlocutors and make the changes in governance they were proposing more acceptable. The following quotes back this up:

*In my company, which at heart is very benevolent and driven by the heart, **paradoxically arguments [from the heart] cannot carry weight as such:** they have to be demonstrated without necessarily being formulated in this way. I'm patient and I accept that I don't always succeed, that I don't want to convince at all costs, that I don't assume that worthy reasons or my values will make sense to everyone. So, I also try to find **arguments of a different kind to convince** people,*

for example: “thanks to this *raison d’être* and this mission, we’ll be able to recruit talent more easily by clarifying our project”; “the mission represents a valuable sign of conformity for access to state aid specific to the press”, etc. I’ve had to find arguments that make sense to everyone.

I had to come up with arguments that didn't come naturally to me, to divert the subject. It's strange because I'm not necessarily as authentic as I would have liked to be. [...] For half of the people, these subjects are not of interest.

Understanding this is very instructive: everyone has a different level of maturity and concern. It's a form of **acceptance of otherness**, it's about recognizing that everyone has a level of involvement, commitment and interest in the subject of the common good that is very different from my own, from what I imagine to be disinterestedness in the sense that I wanted to formulate it. Perhaps it's **a form of empathy**, you're right.

Florence Guémy

I realized that the form, the way of saying things, was very important. How do you go about it in a different way? [...] I've realized that you can't win a battle with ethical arguments when you're up against someone who doesn't care, so you have to adapt your approach. Before, I'd pour out everything and try to convince them, but now I adapt my strategy and my speech to the person I'm dealing with.

Mira Draganova

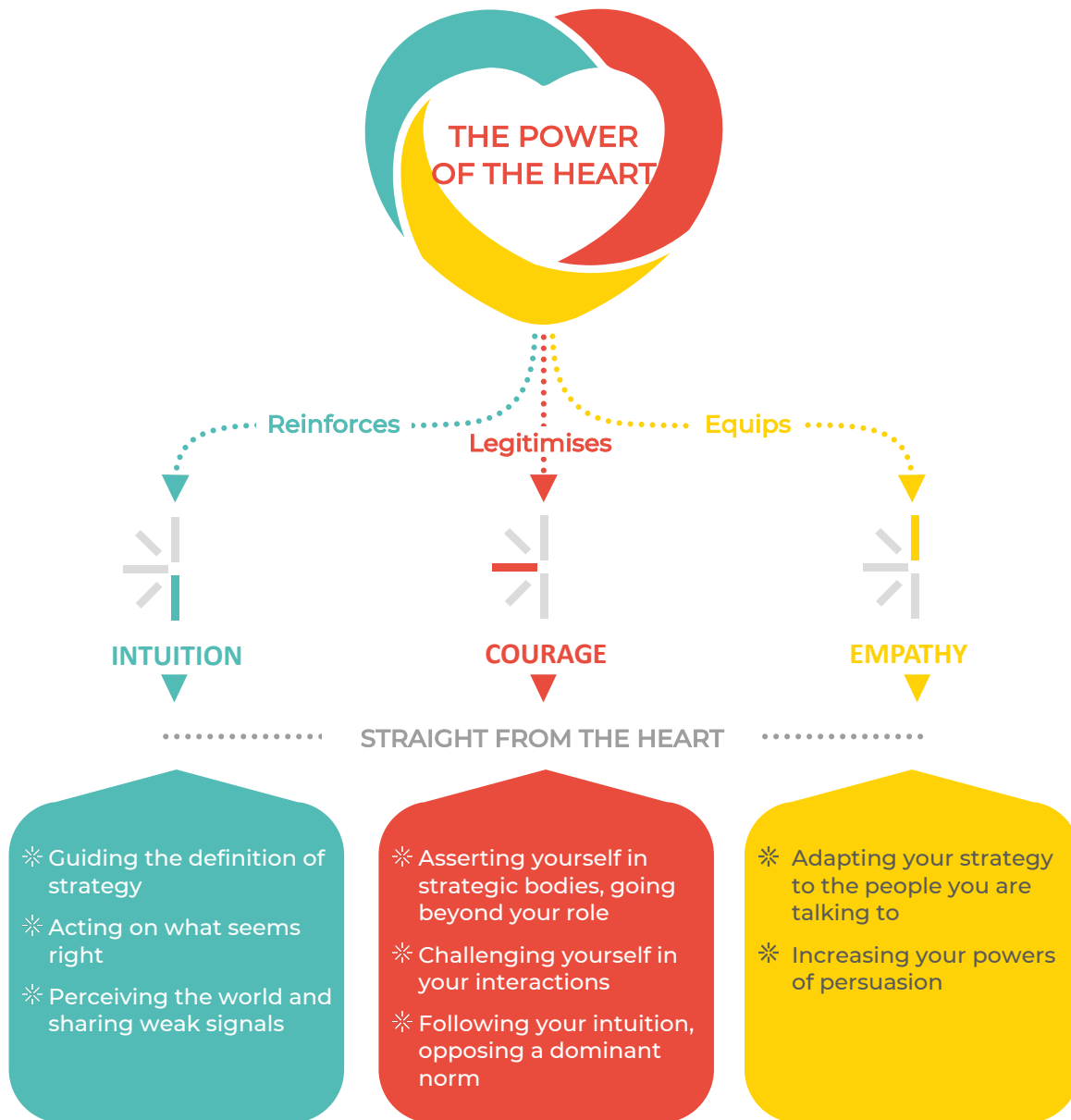
In the focus groups, all the directors interviewed illustrated the way in which they mobilized certain abilities of the heart in strategic decision-making or governance bodies. Self-affirmation within collective governance through courage (Mira, Jérôme, Florence), taking a step back from one's interactions (Cyrille), using intuition to define strategy (Anne, Odile), making strategic decisions by means of a clear compass focused on the common good (Jérôme, Michel, Florence, Cyrille), using relational intelligence and empathy to adapt discourse (Mira, Jérôme, Florence), having the courage to take decisions in a sometimes difficult context (all), seeking consensus or involving stakeholders in strategic decision-making in the case of those who are used to taking decisions alone (Cyrille, Michel).

In this way, the HLU course reinforced skills that were already present in the participants, as they commented in the course feedback module: “HLU has put a spotlight on how I operate and the impact this has on my actions as a leader” (Odile Ehrbar), “All this was already in me, but it gradually came to the fore” . (Jérôme Decroix), “I'd started on my path before, but it crystalized a lot here”. (Cyrille Vu)

Because it enabled the leaders to clarify their human and strategic objectives, to understand the role of governance and their potential for transformation, the course gave **a new dimension to their leadership**.

HLU gave them a certain legitimacy, the courage to stand up for what they believe in. In a way, the course acts as a catalyst for transformation: it reinforces existing intuitions or ways of doing things and opens up new perspectives, without imposing a ready-made model or a single approach to governance. Nevertheless, the participants seem to be asking for more tools to help them situate their

organization and its transformation objectives, since for most of them governance remains a complex issue.



II Governance in motion

Changes in governance are generally assessed over the medium or even long term, as there are so many parameters at play and so many obstacles that can affect the transformation. Nevertheless, it can be seen that **almost all the participants have begun to change the governance of their organization, at their own level.** For the purpose of our analysis, we will begin by looking at the changes affecting the group of shareholder-directors or founders who have “full powers” and who are particularly concerned about the issue of passing on their company, to varying degrees and at different times (A). We will then consider the case of employee-directors who, despite their statutory dependence on a higher authority, manage to bring about a step-by-step change in the governance of their company (B). We conclude with a discussion of the interaction between structural and human variables (C).

A REORGANISING GOVERNANCE TO IMPROVE SUCCESSION PLANNING: THE CHALLENGE FACING FOUNDER-MANAGERS

Prompted by the questions posed during the governance module and the work on ego throughout the course, **the managers asked themselves many questions about their relationship with power, but also with ownership, particularly among founder-managers.** This issue has different dimensions: ownership of capital, but also of power, in the sense of the ability to decide and steer the company's strategy. Founder-managers or major shareholders are often very attached to the business project they are leading. They generally occupy a central role in governance and/or concentrate a certain amount of power, from which it can be difficult to detach oneself. Generally speaking, the theme of dispossession was spontaneously broached, a sign that the subject lay at the heart of their questions on governance:

What does it mean to act from the heart? Is it necessary to possess, to love, accompany, guide, protect? Or can this be done with complete dispossession? It's a vast philosophical subject, but one that touches closely on governance.

Michel Meunier

On the capital front, **the examples of shareholder foundations discovered during the course had a particular impact on founder-managers who were in the process of transferring their company.** This was particularly the case for Odile Ehrbar, who was in the process of selling her company and had the **courage to reject a takeover offer** during the course:

Personally, I'm at the heart of a questioning process about dispossession and the process of passing on the company. I ask myself what I own and what the company is worth, particularly in intangible terms. [...] If I hadn't followed the HLU path, I wouldn't have turned down the takeover offer. Because I lose too much meaning, and because I'm beyond the material, beyond finances.

I'm not ready to give up at any price, but I need codes and tools to be able to better appraise my intangible assets. [...] How can we transmit the spirit of dispossession

or original meaning to a new form of governance that goes beyond traditional power/management?

What concerns managers, particularly founders, goes far beyond the organization of the articles of association, financial ownership or the legal framework of governance. While the latter is important to ensure the long-term viability of commitments, as is the case for mission-driven companies and shareholder foundations, it is not enough, as Cyrille Vu reminds us:

The easiest bit is passing on the material or legal aspects. My challenge is to pass on an ethical standpoint and a culture. Making sure that this is no longer embodied by one person but by a collective, that everything I have in my head and heart is in the head and heart of the people who will take over, not because they are forced to but because they are convinced of it. And that's the hardest part; it's what we have to work towards the most.

This is **why the question of power sharing is central to the governance changes they envisage for their company.** They generally occupy a dominant position within the organization and take on a certain number of decisions, at the risk of leaving employees sometimes disoriented in their absence.

Having already begun to change his company's ownership model, Cyrille Vu has now embarked on a new project to rethink the structure and composition of governance bodies:

I'm working more actively on governance, on the three types of power and their organization, with the subjects of "enterprise with a mission". In my case, it's a special issue because there's a shareholder foundation with its own board of directors which, over and above its philanthropic mission, will have economic and political prerogatives as a shareholder. I also have a strategy committee that functions like a board of directors (our company's legal form is an SAS). Finally, as we are transforming into a mission-led company, we will have a mission committee, an advisory body that will play a role in governance. We have launched a governance project with Prophyl on this subject. This requires us to take better account of SeaBird's size and its greater complexity linked to shareholder foundation and mission-led companies. It would be simpler if we were a conventional commercial company. [...] I also hope to have a Managing Director to take my place at the end of 2023...

Cyrille Vu wishes to further develop his company's governance with a **view to ensuring the long-term viability of the company and its strategic project beyond the individual** (in particular by avoiding the accumulation of powers and reinforcing collective governance). **Adopting the status of mission company and creating a dedicated governance body and a charter of commitment for the shareholder endowment fund are tools that should enable Cyrille Vu to consolidate SeaBird's governance. Nevertheless, it is difficult to measure clearly what is due to the HLU journey and what is not,** even if it is certain that Cyrille Vu thought over these decisions during that period. It would be interesting to measure the impact on the transformation of practices and the culture of heart intelligence over the longer term

within governance bodies, as these points were highlighted as “insufficient” in the questionnaire.

Similarly, Anne Charpy, **currently CEO of Voisin Malin, recently decided to recruit a managing director to relieve the situation of her holding multiple positions.** This decision, which she thought through with HLU, is in line with the steps she had already taken to consolidate her Board of Directors (BoD) and share more responsibility with members of management through the practice of collegial management. The model she projects herself into is that of Bernstein's “orchestra conductor”:

*For ten years I was very much in the spotlight. I created a form of possession of ownership around a narrative, a story, and I had this role of an entrepreneur who takes the lead. [...] Today, I'm an all-rounder, president, and CEO, but **I've been trying for the past three years, and with HLU, to delegate operational decisions to the management committee.** We've looked at practices and values, and it's trust that makes the collective work and strikes a balance between operational and management staff. **The final stage in the process will be to leave my role as CEO and concentrate on my role as President. That's where the real dispossession lies for me: I relinquish control of the project, the development vision and so on.** But I do it with peace of mind because I share the same thinking as the people on the Board, in whom I have confidence. [...] **We're entering into a much more systemic approach, where as a manager we become an activating and facilitating element in a system.** I'm very inspired by Bernstein's model as a conductor, who at the end of his life would stand in the middle of the orchestra, with just his eyebrow twitching, with the occasional little smile on his lips. The fact that he's there creates a point of reference for the musicians, each of whom plays his or her score in his or her own way, while he remains motionless and enjoys the fact that everything is working around him, without he himself having any active role.*

Sharing responsibilities has also enabled him to **alleviate the sometimes heavy emotional burden common to managers who take on a lot of power:**

*In the presentation to mark our 10th anniversary [in June 2021], I described the difficulties and crises we'd been through. And I modestly said that it had been very hard, that fortunately **the Board of Directors had been an external power that had enabled me to hold on, but that I was very alone in the team.** I said that I didn't want to go through that anymore, that I needed the Board to invest more in the team, to help me get through it. Since then, everyone has rallied round. [...] **In the end, admitting my vulnerabilities opens the way for a different kind of commitment, for the mobilization of resources. That was true for the Board and it's true for my management committee too.***

Anne Charpy

As far as Janus is concerned, no mention was made of any direct impact of the program on governance, although it did enable Michel Meunier to think more in depth about this area. He aspires to greater stakeholder participation and a more open shareholder model, in an extension of the “enterprise with a mission” approach

(already significant on the scale of a small company). However, the company's current economic situation once again proved to be an obstacle:

We realize that it's much easier to think about modes of governance when you're making money than when you're losing it, because it's harder to think about capital distribution when you don't have any. I'll keep these thoughts in mind, but they're not the priority at the moment.

Michel Meunier

B TRANSFORMING GOVERNANCE “FROM BELOW”: AN IMPOSSIBLE TASK?

For the group of salaried executives (or company officers), **changing the way the company is governed is a task that is made all the more difficult by the fact that they have neither sovereign power nor full executive power.** So how much freedom and influence do non-shareholder executives really have within their organization? The experiences of Jérôme Decroix, Mira Draganova and Florence Guémy show us that **it is possible to influence governance through leadership driven by the heart, with each person implementing different strategies.**

Jérôme Decroix chose the **hummingbird strategy**: he decided first to test new modes of governance within his management team (more horizontality and collective intelligence, introduction of non-financial performance indicators) and to use this as a **lever to set an example and gain legitimacy in order to have a wider influence:**

*My management team gave me the courage and legitimacy to act. This strengthened my convictions that this has to happen at every level, and that the top management must be exemplary. This was not the case, because the company does not operate on the basis of collective intelligence. The abolition of the Board and a number of other decisions created a climate of “divide and conquer” within management, even though this was not the original intention. [...] Ultimately, **all you have to do when you're driven by the heart and you're a senior manager is act.** It's all about the Karpman triangle: you're not the victim, the executioner, or the savior but you do have the means, the legitimacy and the courage to do things. **You have to take action, be sufficiently in tune with yourself to say what you think and not “play the Calimero card” and tell yourself that it's not working.** From this cocktail, without saying that I'm responsible for the results, I can see that in 2023 we're going to become a company with a mission, and we're starting to talk about diversifying our activities in a world that won't be all about cars.*

If the transformation of Roole into a company with a mission is the result of a collective decision, **it is certain that having two members of Roole's management committee (Board of Directors) taking part in HLU's “Straight from the Heart” program** (and soon four once the next course is completed) is a **facilitating factor in ensuring that practices evolve along the same lines**, taking account of social and environmental objectives, even if the final decision generally rests with the two shareholding brothers, who are chairman and managing director respectively:

The fact that there are two of us, and soon to be four, following the HLU path means that we're making progress, that we're starting to form a majority within the Board. None of us are fighting for change or urging it, but we are taking action to get things moving.

Jérôme Decroix hopes that the changes in the legal framework and the reorganization of the Board will perpetuate the company's new strategic project and restore the balance between the interests of the various stakeholders:

Now that we realize that we are all legitimate and well established in our departments, there are enough of us to say that a Management Committee is necessary, that we must not hesitate to go beyond our function, to think of the interests of the stakeholders and not the maximum cash outflow for the shareholders.

Like Jérôme, Mira Draganova is not statutorily an “executive” director in her company, in the sense that she does not have final decision-making power outside her remit. This is an interesting case study in that the company's governance structure may appear, from the outside, to be exemplary: since 2018, 98% of the group has been owned by an endowment fund (which receives the dividends), and 2% by a holding company whose remit is to ensure that the founding principles and values, enshrined in a “Constitution” by Jean-Noël Thorel, founder of the group and HLU, are followed. Jean-Noël Thorel is convinced of the need to develop heart intelligence within organizations and has therefore begun to develop governance. However, as Mira Draganova points out, the heart intelligence values that he defined in a “top-down” fashion are not shared within the company, particularly by management:

*Rather, it's a lack of organization, a legacy that leads to shortcomings. Jean-Noël Thorel didn't surround himself in time with managers who would have developed their intelligence from the heart. I often felt aligned with him, but not with the people between us, who criticized my way of doing things. **By going about it in the right way, showing my conviction and courage, I'm managing to get more and more people on board with this heart-intelligence-based approach, and in HLU's 2nd and 3rd classes there will be other people from Naos. I myself am setting up a project for my immediate subordinates, a sort of internal Straight from the Heart course specific to Naos. The more of us there are, the more we'll be able to lead this change. I think that thanks to HLU, I've seen a pure illustration of how we can work and use heart intelligence. No battle is won by a single soldier; you have to succeed in infecting several people to move in that direction.***

Mira therefore chose to adopt a “**contamination strategy**”, in order to take action on the **cultural dimension of governance** and to anticipate the “post-Jean-Noël Thorel” era, in which a large part of the final decision-making power is still concentrated in one place:

If ever the physical forces don't allow it to finalize this process and it's no longer there, I'm afraid we won't have reached the critical level and we'll tragically revert to the “classic” way of working that I absolutely want to escape from.

Mira Draganova's authenticity and courage enable her to maintain a direct and authentic link with the Chairman, and therefore to have a power of influence.

So, even if there is no major impact at organizational level, the HLU course has confirmed to Mira that the strategy she is trying to implement internally is the right one.

It would be interesting to measure the impact of its approach over the longer term.

Indeed, even though NAOS introduced the shareholder-foundation system in 2015, the transformation of a large group necessarily takes time. Internal alignment with the guiding principles set out in the “Constitution” or in the company's mission requires a significant number of parameters to evolve assets (types of products sold, brands), profiles of the members of the governance team, processes for dialogue and decision-making, and so on. All this in a highly competitive sector, which makes the change all the more complex.

Lastly, the case of Florence Guémy is a little different. As Managing Director, she holds a statutory executive position but is part of a collective governance structure through the Group's Executive Board. **The HLU course has enabled her to successfully complete the project to transform Bayard into a company with a mission and the creation of an endowment fund (potentially a shareholder in the long term), which she had initiated upstream:**

*Even though I'd thought about it before, HLU gave me the courage to develop Bayard towards becoming a mission-driven company. The main difficulty was convincing people internally and getting them on board. I'd say that **HLU enabled me to find the words to describe the subject and to see this project through to the end.***

The obstacles encountered by Florence Guémy are more human than structural:

Bayard's shareholders has been a unique case for over a century and are geared more towards the common good, due to its Catholic values. What Bayard lacks in order to be governed by the heart is the authenticity of its people, its internal processes and recognition; it is held back by the feeling of superiority of certain managers.

Although Florence Guémy considers that Bayard's culture is driven by the heart as part of its DNA¹¹, she ultimately shared the feeling of having to “fight” or “justify oneself on elements of the company that have to do with the heart” when dealing with half of the managers. **These people-related problems are all the more acute in a context of economic uncertainty in which Bayard currently finds itself – like many French companies:**

¹¹ This also ties in with the feelings of Florence's five immediate subordinates who responded to the questionnaire, who gave an average score of 4/5 to the fact that Bayard is a company whose culture is conducive to the expression of heart intelligence.

What is most damaging to governance by the heart is fear.

At the moment, with a challenging external context, we're afraid of making losses: when there's fear there's tension, and people are less kind to each other. And we forget our values. It's a huge risk, and I'm experiencing that at the moment.

Florence Guémy

Thus, in the case of “salaried executives (or corporate officers)”, we observe the setting in motion of a “small step” transformation which was initiated (in the case of Jérôme) or reinforced (in the case of Mira and Florence) under the influence of the HLU course. The obstacles they encountered seem to be more human and cultural than structural. It is this interaction between culture and structure that we propose to explore in the conclusion of our study of the impact of the program.

SUMMARY TABLE OF IMPACTS

PARTICIPANT	STARTING POINT	CHANGES	MAIN OBSTACLE IDENTIFIED	OUTLOOK
Anne Charpy VOISIN MALIN	Has already worked on the composition and functioning of the company's governance using collective intelligence	Recruitment of a CEO (power sharing)	Situational (economic insecurity)	Continuation of horizontalization of governance and power sharing
Odile Ehrbar ADAXO	Concentration of power	Change of transfer project (refusal of a takeover offer)	Communication	Passing on your business from a heart intelligence perspective
Michel Meunier JANUS	Mission-led company, concentration of strategic decisions		Situational	Further horizontalization of governance
Cyrille Vu SEABIRD	Capital sharing, concentration of power	Further work on governance, recruitment of a CEO		Continuing to implement a culture of heart leadership, sharing power
Jérôme Decroix ROOLE	Concentration of power	Rehabilitation of the Management Committee	Structural (concentration of power)	Implementing Mission-led status, developing collective intelligence
Mira Draganova NAOS	Shareholder foundation, pyramid structure	Training managers in heart intelligence	Human (Lack of heart intelligence culture)	Continuing to implement a culture of heart leadership
Florence Guémy BAYARD	Suggested becoming a mission-led company or even a shareholder foundation	The mission-driven company becomes a reality	Human (Conception of the power of leaders)	Implementing mission-led status

C BETWEEN CULTURE AND STRUCTURE: EXAMINING THE TRANSFORMATION OF GOVERNANCE

Looking at all the testimonies above, it seems that **the challenge of transforming governance is first and foremost a cultural and human one.**

Governance researcher Pierre-Yves Gomez points out that corporate governance “depends essentially on the behavior of those in power, their failings, and their virtues”. (Gomez, 2018). **This does not mean that the formal, legal and regulatory framework is not important, but a structural change has little effect without an individual transformation (affecting the leader's value system and way of seeing the world) and cultural change (at organizational level),** as Mira Draganova reminds us:

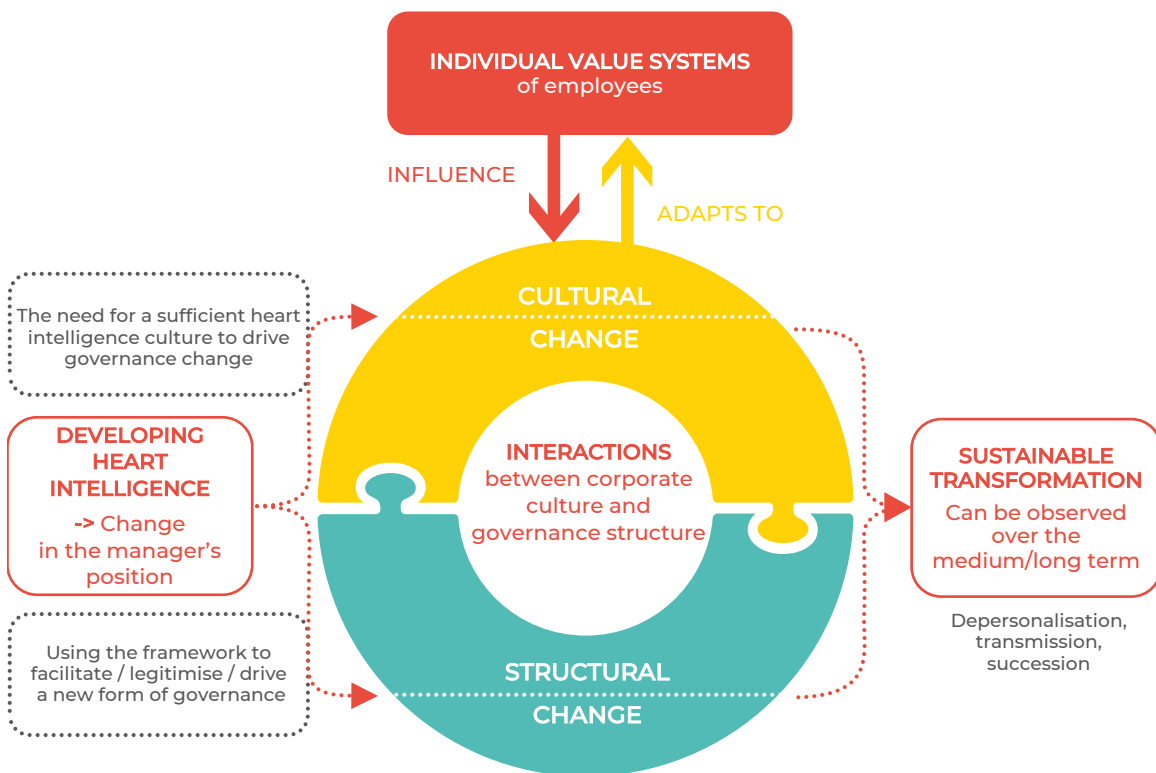
It's not just the governance framework on paper that counts; it's also the people, who can skew certain things. As long as people don't have the same vision, the legal framework won't be enough to protect that vision and keep the transformation going in that direction.

Certainly, **any change in the legal framework of governance affecting the sharing of power and/or value** (such as the establishment of a shareholder foundation) **necessarily requires the approval of those who are dispossessing themselves,** i.e., usually the shareholder-managers. They must have a strategic vision that goes beyond the pursuit of their personal interests and demonstrate a certain degree of heart intelligence in order to commit to it.

Individual transformation is therefore a prerequisite for a transformation of governance conducive to the expression of heart intelligence. This is all the more the case as governance must be based on a collective, i.e., a sum of individualities. Corporate culture helps to bind the collective together around shared values but the collective is still made up of individuals with their own value systems, which the manager will find difficult to change. In this context, the manager can adopt different strategies: changing the composition of the collective by recruiting employees who share the value system being promoted, or even getting rid of those who don't; adapting his or her strategy to convince by highlighting arguments that will strike a chord with the individuals in question.

For a leader, creating a sense of collective and governing from the heart also means building a framework within which different value systems can progress together. Indeed, an enlightened manager or shareholder will not get far if his or her vision is not shared by those around him or her. There is no such thing as the power of a single individual: “this individual capacity is always part of the collective. If the collective crumbles, power disappears.” (Chassagnon, 2018)

The participants have all understood the importance of heart intelligence in spreading the vision that drives them within their organization and in generating collective support for a common project. The shareholder-managers who took part in this study realized this and are working to achieve it. **The introduction of a new legal framework can be a facilitating factor but it is not a prerequisite, as we shall see in the next section.** The intuitions and respective experiences of the participants allow us to put forward certain hypotheses on the forms of governance that are conducive to the expression of heart intelligence, or which, on the contrary, restrain it.



INTERACTIONS BETWEEN CULTURE AND STRUCTURE:
A CHANGE THAT IS ABOVE ALL HUMAN AND CULTURAL

III Forms of governance and the expression of heart intelligence: a few hypotheses

In addition to assessing the impact of the course, **HLU is looking into the governance variables that are conducive to the expression of heart intelligence or, on the contrary, which hinder it.** We hypothesize that modes of governance based on an organization designed to maximize shareholder profit are not conducive to the development of heart intelligence¹². These models remain dominant in entrepreneurial circles and particularly within large groups listed on the stock exchange, despite the fact that they are widely criticized. They are traditionally associated with highly hierarchical vertical models, which is why movements to “horizontalize” corporate governance have emerged. These movements aspired to share decision-making power more widely between the different levels created within the company and even to “liberate” the company.

In fact, at the start of the program, the managers spontaneously associated these governance models with the expression “heart intelligence”, referring to the **liberated enterprise**¹³ or **horizontal governance** as “an ideal to strive towards”, even though all of them were already aware of their limitations.

At the end of the course, it is interesting to note that **none of the interviewees mentioned these or any other models again in subsequent interviews.**

While it is difficult to establish correlations between the implementation of a certain type of organization and results in terms of the expression of heart intelligence, given the heterogeneity of the sample and the limitations of our methodological approach, we can nevertheless draw on the participants' feedback. A number of **characteristic features emerge, providing some initial clues as to the factors that make governance more or less conducive to heart intelligence:** the need to establish a legal framework that both facilitates and protects the company and its governance over the long term (A), to share power (B), and finally to work on the “collective heart” to establish a culture conducive to the expression of heart intelligence (C).

¹² Our hypothesis is based on our own observations of companies as part of our consulting work, on the findings of participants and on the basis of various studies such as those by [Frédéric Laloux](#) and [Otto Scharmer](#), who have developed organizational models which (indirectly) take up principles linked to heart intelligence.

¹³ The liberated enterprise is a concept popularized by Brian M. Carney and Isaac Getz in the 2010s, based on the 1993 book *L'entreprise libérée: libération, management* by Tom Peters (Dunod). This concept is used to bring together under a single term the developments observed in several iconic companies (Favi, Poulton, Chrono Flex, etc.): a reduction in hierarchy – and in particular a drastic reduction in the number of middle managers –, equality between employees, empowerment of the people who do the work (workers and employees), and an emphasis on intrinsic motivation to enable employees to take ownership of their work. This model has had its share of excesses, leading to over-responsibilization of teams and increased social pressure within companies, but it remains valued by its promoters, who see it as a tool for improving productivity and limiting work-related alienation.

A AN ENABLING LEGAL FRAMEWORK

The structural framework of governance, in the legal and regulatory sense, plays a facilitating role in the expression of heart intelligence: the permission and protection conferred by the articles of association guarantee the rules of the game that all parties must respect, regardless of changes in personnel.

In terms of legal frameworks, four of the group's companies have committed themselves to the choice of the mission-driven company, probably more influenced by the current movement than by the HLU course as such. It is interesting to examine the meaning they attach to it: **the corporate mission represents a common compass and altruistic commitments that serve the common good** over and above the company's profit-making strategy (and shareholder interests). For them, it echoes heart intelligence in that it's about extending empathy to the whole organization. **Corporate strategy can be guided more by the heart**, as Michel Meunier states:

Today, when I make a decision, I look at our values, I look at our strategic objectives. An example: in 2020, we decided to cover 50% of the cost of the most expensive health insurance cover, including for the employee's family. For us, this represents a budget of 10% of the total payroll, which is enormous! I could, by unilateral decision of the employer, switch to a lower mutual insurance plan in view of our economic situation. But if I did that, I would be going against my own wishes (connection with the heart), and the social welfare element of the company's strategy, the values of caring. So, this is an example of a decision where it's not money that dominates, but the heart and the well-being of employees, even if it doesn't make much difference to their daily lives.

The question of the destination of profits within the company came up several times in the discussions. **It's not a question of denying the profit-making dimension of the company, but of putting profits at the service of something greater:**

I don't think that running a company from the heart means that you're being a naive optimist. You've chosen a role, you're in a business environment, you're not working for an NGO. You just have to ensure that the whole ecosystem moves forward with a sense of a win-win exchange. You have to take into account capital as well as the environment, and so on. You mustn't sacrifice one for the other but take everything into account.

Mira Draganova

This also implies the use of non-financial indicators¹⁴, or even a different type of accounting. An important factor for Jérôme Decroix is **the obligation of transparency and evaluation of the mission by an independent third-party organization:**

The fact of being watched and beholden to the outside world, and to a third party, means that it will be much less possible (given the same internal structure) to have as much concentration of power. Sometimes managers have visionary intuitions, but they will be constrained by the critical gaze of outside observers.

Heart intelligence calls for transparency and authenticity, which also means being accountable to external stakeholders.

Many participants expressed regret at **the lack of tools to measure what arises from the collective heart** –trust, group dynamics, human relationships, etc. – and to attest to its presence in their organization

I'm in the phase where I'm doing a lot intuitively, but I can see that my process is telling me that I need to set indicators that speak to others, to value what exists beyond the financial, so that it can be transmitted and stepped up.

Odile Ehrbar

Participants appeared to feel that it was important for the legal framework of corporate governance **to ensure that shareholders remain close to the company's strategic realities**, particularly in large groups. Without this, there is bound to be a misalignment between sovereign power, i.e., shareholders, and executive management. The participants, each in their own way, value the independence of management in the face of financial interests disconnected from the reality of their company. This is a prerequisite if the organization is to be truly governed from the heart and act with intuition. Mira Draganova thus observes a difference arising from the Naos shareholder foundation model:

I'm convinced that [the shareholder foundation] influences the way we behave and make decisions. [...] Of course it has an impact. I stayed with the company precisely because the governance is set up in such a way that we can do things differently.

Thus, between the principles of “profit for purpose” and independence in decision-making, **participants instinctively called on the steward-ownership model¹⁵** (even if they didn't express it in these terms) **to describe a structural governance framework capable of sustaining a vision driven by the often-individual heart and helping the organization to evolve.**

¹⁴ A legal obligation of a company with a mission.

¹⁵ “What all steward-owned companies have in common is the belief that profits aren't the primary goal, but rather the means by which their purpose can be furthered. In order to safeguard its purpose, the “steering wheel” of a steward-owned company, i.e., control over its management, strategy, and key operational decisions, is held by people inside or closely connected to the organization. This is unusual for many businesses, where majority control is often held by external owners.” Purpose Foundation report [Steward Ownership - Rethinking ownership in the 21st century](#), 2019, p. 9.

B THE NEED TO SHARE POWER(S)

Sharing power(s) within the organization appears to be a condition conducive to the expression of heart intelligence. Power can be shared **formally and structurally** (for example, by legally separating political rights from financial rights within the shareholder structure, or by defining formalized decision-making rules¹⁶), or **informally within governance bodies**: a leader may statutorily hold superior authority but decisions can be taken by collective intelligence or consensus.

In this sense, **the participants do not particularly promote models that are too horizontal**: they defend the existence of one or more leaders, an authority figure by whom the final decision can be made, and a framework, as Jérôme Decroix reminds us:

To be governed by the heart does not mean to be governed without process.

If decision-making power is shared between several individuals (or stakeholders), **then the latter feel more legitimate** in expressing their point of view, because they know their voice counts. Even if they are not necessarily the final decision-makers, they have permission to share their opinion (which may be contradictory) and the power to influence, in the sense of the ability to act. In this sense, **power-sharing avoids problems arising from the human factor in governance** (the presence of uncontrolled egos/predators, as well as losses following the departure of an emblematic leader – see part II(a) on the issue of transmission). Florence Guémy's experience illustrates this:

Our strength lies in our collective governance, where we can play out this contradictory discussion which enables us to escape the power of a single individual, who could be the predator and the narcissist who could truly transform the company.

Although we mentioned earlier that the collective nature of decision-making in her company can be an obstacle to the transformation of corporate governance, she nonetheless sees this form of organization as a strength.

Sharing power also helps to “protect” decision-makers from the mental burden that falls on them, and which represents a risk to the organization's survival should they fail. We saw this in Anne Charpy's comments, but it is also a point of view shared by Jérôme Decroix:

Sharing power dilutes responsibility and protects the leader, who is not alone in being exposed by decisions, whether good or bad. Sharing power is also necessary because there are too many complexities and interactions to think that we have all the keys to make decisions. And we're always surprised when we're confronted with other personalities, even if that doesn't necessarily change our minds. [...] I

¹⁶ Legally, owning shares in a company confers two types of rights on shareholders: financial rights, i.e., the right to receive dividends, and political rights, i.e., the right to vote at the shareholders' general meeting and thus to steer the company's strategy. These rights are traditionally correlated.

think it's a shame to see the extent to which everything always depends on a few people, a handful of founders.

It's always better when power is shared, either through the governance structure, or by exercising power from the bottom up. Too much centralized power can be destructive of value in the long term."

The need for checks and balances within the organization, which emerges indirectly here, can become evident in a variety of ways: integration of external stakeholders within a governance body, shared decision-making in a collective body such as a board of directors or an executive committee, etc. Participants also stressed **the importance of seeking "social dialogue" and, above all, of introducing diversity into governance bodies:**

A prerequisite is parity and diversity.

Michel Meunier

I'm seeing a general change. I find that women are much more receptive to this work methodology, which can also be explained by the maternity and multitasking to which they are exposed.

Mira Draganova

This is as long as a culture that values the qualities of the heart, such as empathy and intuition, develops in parallel, otherwise these might be seen as exclusively feminine attributes.

In this way, **power-sharing through more collective governance must go hand in hand with the creation of a culture conducive to heart intelligence**, which is embodied in informal processes (e.g., the way interactions take place within governance bodies) and in the behavior of individuals themselves.

C THE IMPORTANCE OF THE COLLECTIVE HEART

Governance structured with different bodies or collective decision-making without a culture of heart intelligence can be counterproductive. Participants were made aware of this through Module 6, dedicated to the “collective heart”, which enabled them to work on group dynamics¹⁷, the role of the leader and the tools available to improve it. The lack of a heart intelligence culture can create a framework that supports power or ego wars within organizations, fueling conflicts between divergent individual value systems.

*I'm in a company where there isn't a single leader with global awareness and responsibility. People position themselves, have varying degrees of power. You can't just do what you're minded to do. You have to be careful about what you do and the position you take, do your lobbying, prepare your decisions to make sure you have allies, and so on. **There's a whole environment that precedes decisions, which takes away the simplicity and obviousness of what might be in the heart's interest.***

Florence Guémy

*We chose not to adopt an SCIC model¹⁸, even though we have many stakeholders: residents, local authorities, public service companies, the government, etc. But we didn't opt for this model because **in the social and solidarity economy (SSE), legal forms become an end in themselves, generating other systems of power and blockage**, and a great deal of suffering too. Many people are insufficiently recognized, and political issues emerge through a system of “comitology” where you have to campaign. Of course, there is no material possession, but the possession of power and recognition are extremely powerful driving forces and generate a lot of excesses. [...] At Voisin Malin, our strength lies in our ability to create a collective that reflects society as a whole, where everyone has their place. The highly standardized legal organization systems of the SSE sector don't allow for such a way of operating. On the other hand, our associative model, which was initially based on a somewhat arbitrary power on my part and a relationship of trust, is now based on a tacit framework that incorporates the ingredients of non-violent communication (NVC), which is accepted by everyone. Our capital is essentially immaterial: it's the trust between people that makes everyone feel*

¹⁷ Group dynamics is a field of research in psychology and sociology that focuses on the life and functioning of small groups of individuals, which are the result of human behavior and multiple evolutionary forces, both individual and collective. The American psycho-sociologist Bruce Tuckman has proposed a model to characterize the development phases of a group in which the leader has a particular role: constitution (the leader must establish a climate of trust), turbulence (the leader must encourage constructive dialogue), normalization (the leader must stimulate collective intelligence), performance (the leader must empower and maintain the dynamic) and finally dissolution, because no group is eternal (the leader must accompany change).

¹⁸ The Société Coopérative d'Intérêt Collectif (SCIC) is a cooperative enterprise in the form of a SARL, SAS or SA with variable capital, whose purpose, according to the 2001 law that established SCICs, is “the production or supply of goods and services of collective interest that are of social utility”. The associates of a SCIC are united according to a cooperative model, i.e., each holds the same political rights irrespective of the shares he or she owns. At least 57.5% of the SCIC's profits must be set aside as reserves. To be formed, a SCIC must involve employees, beneficiaries and a third type of stakeholder (most often local authorities, public institutions, or private financiers), making it a particularly suitable structure for players who work regularly with the public sector. For further information, see: <https://www.les-scic.coop/presentation>.

encouraged and legitimate to express a point of view, then we summarize it and try to find solutions between everyone.

Anne Charpy

The lack of a heart Intelligence culture can result in the exacerbation of the dark factor¹⁹ among employees, i.e. “the general tendency [of an individual] to maximize his or her own usefulness – by ignoring, accepting or maliciously causing disutility in others – accompanied by beliefs that act as justifications [for this behavior]” (Moshagen, Hilbig & Zettler, 2018, p. 2), a tendency that is detrimental to the construction of a collective. Studies have shown that the dark factor becomes more pronounced the higher up the hierarchical ladder one goes (Diller & al., 2021). Managers wishing to foster a culture of heart intelligence must therefore fight against this dark factor: in others, whose reluctance is likely to slow down transformations in governance bodies, and their own dark factor, because it leads them to give undue weight to their own interests.

Cultivating heart intelligence is also essential for building a collective, since it enables us to move away from “silo” organizations, which are seen as forms of governance that restrict expression: “Companies that silo the CFO, HR and other functions and prevent them from expressing themselves on other issues can never be successful in terms of heart intelligence [...] You have to use collective intelligence: you have a job description, but you can contribute other things”, argues Mira Draganova. [...] You have to use collective intelligence: you have a job description, but you can bring other things to the table,” argues Mira Draganova.

This can also help to improve the formulation of strategic orientations and, in particular, the efficient allocation of resources: “As long as there is no exemplarity or collective intelligence in governance, you can't have objective budgetary arbitration; everyone defends their own territory. And sometimes budgets are allocated to departments when they don't have the human resources to spend it, which is counter-productive”, continues Jérôme Decroix.

Similarly, **non-violent communication, the culture of feedback and trust, and the symmetry of attentions** are practices that emerged from the interview comments as strengthening the collective heart.²⁰, whether this is reflected in the positive experience of Anne Charpy or the lack felt by Jérôme Decroix:

At Voisin Malin, we worked on the trust compass and the rituals used to support it: liberating principles, accepting that one does not understand everything, being there with your intention, feeling able to use humor, etc. [...] We divide up the roles: facilitator, timekeeper, etc., and it's important that these roles are played by different people at each meeting. At the end we always have the “meta” who explains what he or she has observed in our discussions in terms of our principles

¹⁹ Three researchers have developed the concept of the “dark factor” based on the hypothesis that there is a common factor behind all egocentric tendencies. Within the dark factor, they group together a set of nine “dark traits” - egotism, narcissism, sadism, etc. – nine specific expressions of a more fundamental tendency to sacrifice others for one's own benefit. To find out more, see: www.darkfactor.org

²⁰ Here we can see the influence of the HLU course, several modules of which were devoted to these tools.

and operating rules. [...] As a leader, I provide the vision, even if that's likely to change these days and move more towards a role of facilitator, of "guardian of the temple". But the delegated roles rotate in each of the committees so that everyone is involved in the same way.

As Chairman, you can have a conviction, an intuition, a desire to take a decision, and you have the power to take it alone. But you have to be willing to do it with collective intelligence and to take stock systematically. Certain organizational decisions in 2022 were taken on intuition, certainly for good reasons, but 1) they were not taken with collective intelligence and 2) there was no retrospective look at what had been done. This is problematic because we have a duty to be exemplary, especially at the top of the company.

The embodiment of the values of the heart, the alignment and exemplary role of managers or of the "head" of governance came up several times as a necessary condition for the expression of heart intelligence (particularly at Naos, Roole, Voisin Malin and Bayard), as Mira Draganova comments:

In our case, our values were decreed top-down by the founder. They are great and shared (courage, authenticity, speaking the truth...). But because they weren't integrated into the recruitment process, I was always out of step and criticized. When others don't understand how these values take form, there can be a downside: if you want to be authentic, you have to want to go beyond pure form. You have to accept that everyone is different and, as a company, you have to find a way of defining these values from the bottom up, identifying gaps and similarities. We suffer from a lack of courage in the company, which shocks me all the more because we affirm it as one of our primary values. It disturbs me deeply.

Thus, more than a formal structure, **it is above all the implementation of practices that strengthen the "collective heart" at all levels of the company, and particularly within the governance bodies, that creates a framework for expression that is conducive to heart intelligence.**



CONCLUSION & FURTHER DEVELOPMENT

How can developing heart intelligence in managers help to transform the governance of organizations? This study shows that heart Intelligence reinforces leaders' leadership and their predispositions and legitimises their taking of action.

The “Straight from the Heart” course for leaders developed by HLU is aptly named. It has enabled leaders to push back the boundaries of power by giving them “**permission**” to express their views on the necessary changes to the governance of their organization and **the courage and power to act**. This is particularly true for those whose position in the leader's “food chain” does not statutorily give them superior authority.

It is clear that the managers questioned in this study are not subject to the same set of constraints. But all of them need heart intelligence in order to change themselves and by extension their organization. Our study shows that **the course enabled them to work on their leadership posture with awareness and lucidity, and above all gave them the courage** – and in so doing the power – to take responsibility for their personalities, and sometimes their intuitions, within governance bodies or teams, even though the corporate culture is not always conducive to this. For some, this course has given them the courage to go beyond their function and redefine the scope of their freedom; it has enabled others to relinquish power or allow divergent points of view to be expressed. The development of empathy and active listening has made them more capable of identifying what makes the various stakeholders tick, **adapting their strategy to persuade them** and change governance, step by step. For those who operate within a “classic” vertical framework of governance, **the practice of heart intelligence plays a liberating role in that it allows them to break free from a sometimes restrictive framework to create a space of freedom within which they can live with the constraints.**

Ultimately, **the impetus for change is first and foremost individual and internal**. It starts with the leader's ability to reflect, the scope of which then depends on both cultural and structural factors. **Heart intelligence enables, and the structure protects**. Beyond the vertical forms of governance that exclusively serve the interests of shareholders, this study shows that there is no single model of governance driven by the heart, even if it is certain that **facilitating and protective frameworks** do exist. It is possible to highlight the need to **share power** (which can be expressed in different ways), to respect certain **principles of steward ownership** or to **support diversity** in governance bodies.

Nevertheless, **the legal and regulatory dimension of governance is nothing without its cultural and human component**: the establishment of a “collective heart” at all levels seems to be a determining factor in guaranteeing the lasting expression of heart intelligence by managers. And the HLU course certainly contributes to this.

This exploratory study opens up avenues of research that it would be interesting to pursue, especially as the study of governance through the prism of heart intelligence is a totally unexplored field.

On the one hand, it would be interesting to **measure its impact by cohort** in order to monitor the development of managers and their organizations over the longer term. Ideally, this would involve the use of a structure that would include the collection of ex ante data **for comparison purposes** so that the impact of the course can be measured more accurately. Such an approach would be all the more appropriate given that changes in governance generally occur over a long period of time.

On the other hand, it would have been interesting **to carry out more in-depth case studies by getting to the “heart” of corporate governance in order to look more closely at the variables that allow heart intelligence to be expressed.** This would involve, for example, interviews with members of the governance bodies of the participating organizations and even, if possible, observations of the way in which they interact and take strategic decisions, their cognitive biases, and their personality traits. This direct access to the field is a prerequisite for carrying out genuine research into the conditions under which heart intelligence is expressed or materialized within governance.

Finally, it would be useful to explore in more detail **the way in which heart Intelligence facilitates the integration of social and environmental issues into corporate strategy. The participants intuitively establish a link between heart intelligence and the well-being of people and ecosystems. It would be interesting to explore how this link is expressed at the level of the organization and whether it leads to a more thorough consideration of social and environmental issues.** This would involve studying the way in which those involved in governance approach social and environmental issues: major global and business risks (short/medium term), potential additional costs and/or as a way of building a truly contributory and sustainable business model...

APPENDICES

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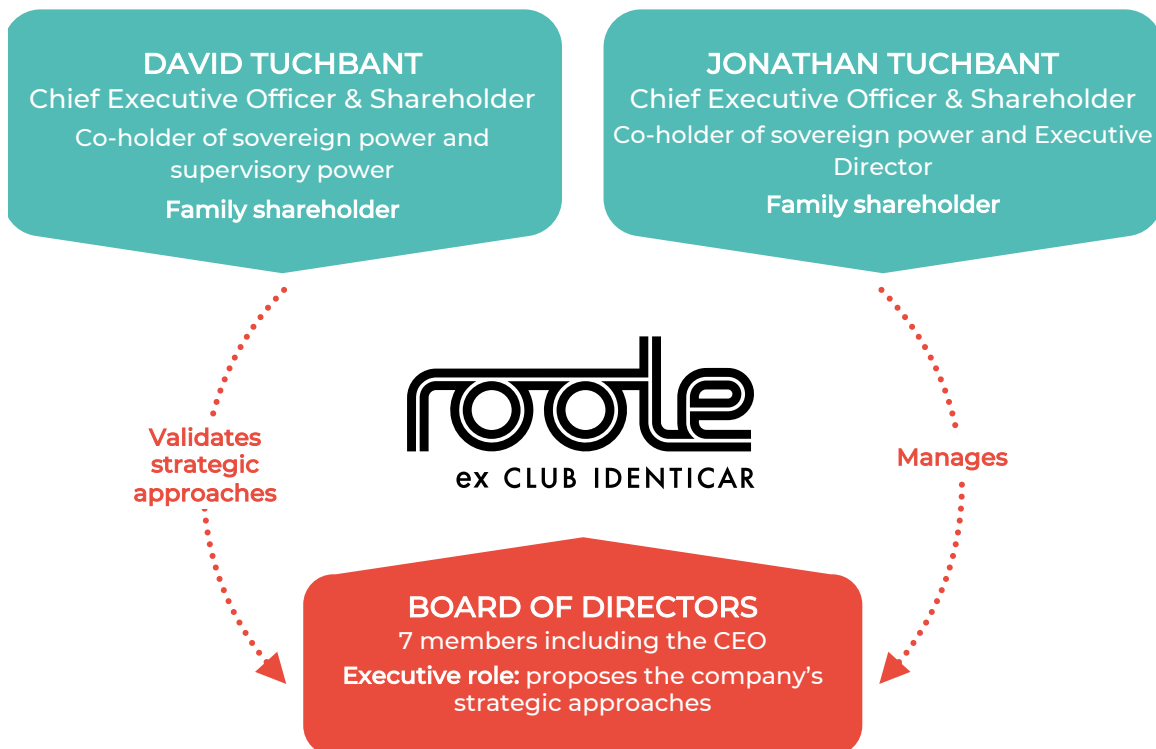
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2 DETAILED PRESENTATION OF THE SAMPLE

GROUP OF EMPLOYEE-MANAGERS OR CORPORATE OFFICERS (IN ALPHABETICAL ORDER)

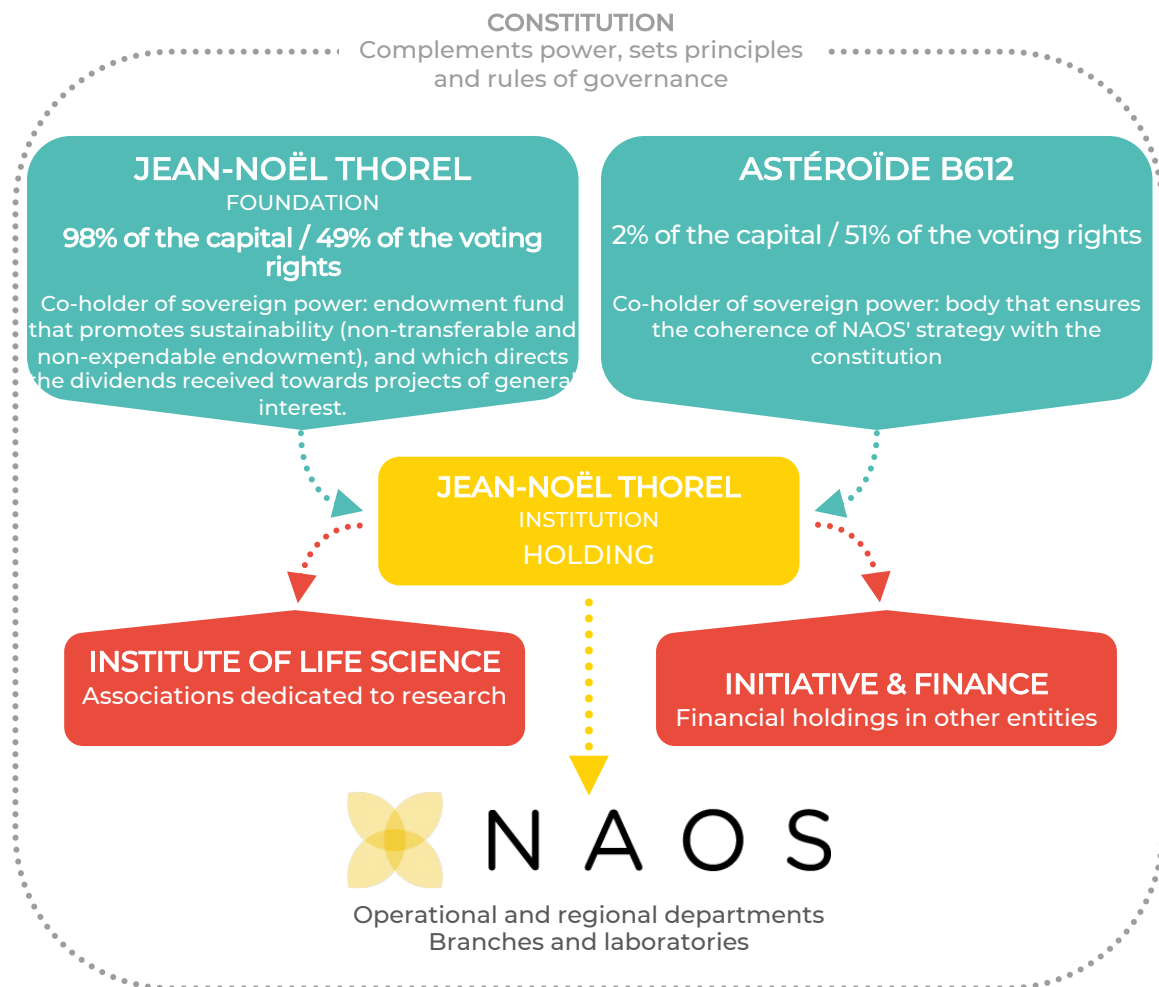
Jérôme Decroix, ROOLE

Jérôme Decroix has been Chief Financial Officer of Roole (formerly Club Identicar) since January 2021, having joined the company two years earlier as Head of Finance Projects. Prior to this, he worked for the Renault Group for 10 years, including in the strategy department. **Roole offers a range of services to motorists, including supplementary insurance and a self-help club.** The company currently employs 270 people and has a turnover of €94m. Roole is mainly family-owned, with a small proportion of employee shareholders. **It has a loose governance structure; it is in the process of evolving from a family-run SME to a medium-sized company that continues to grow. They rely on an executive committee, which was temporarily abolished and then recently reinstated.** It should be noted that one of the participants in the program, Frédéric Jaubert, left his position as Managing Director during the Straight from the Heart course.



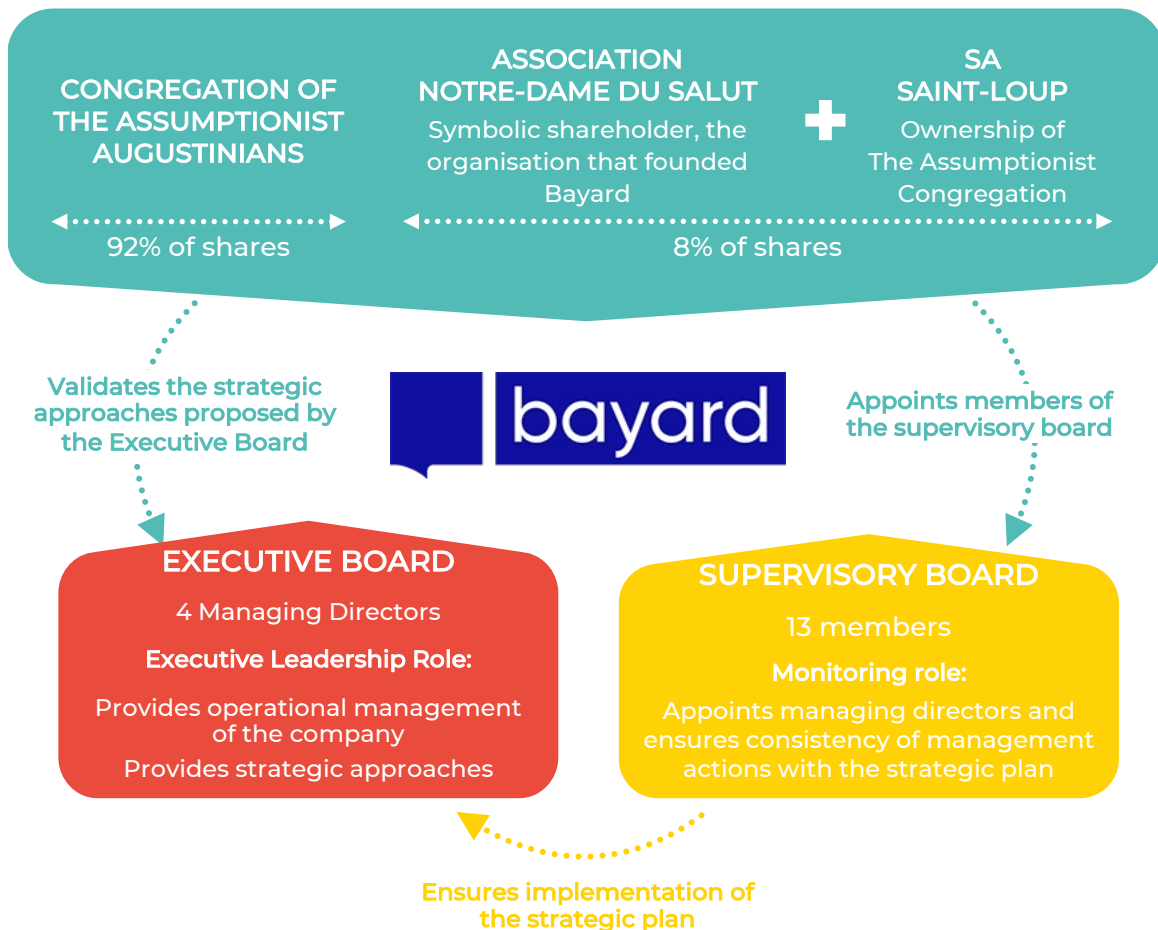
Mira Draganova, NAOS

Mira Draganova heads up the Central and Eastern Europe Region of Naos, a cosmetics company (Bioderma, Institut Esthederm and État pur brands) present in 130 countries, founded in 1977 by Jean-Noël Thorel. She joined Naos in 2009, after eight years with L'Oréal, and has held her current position for over a year. The group has a specific governance structure of the “shareholder foundation” type since it is owned by a holding company (which acts as a director), 98% of whose capital is held by the Jean-Noël Thorel Foundation endowment fund (which was also behind the creation of the HLU association). This fund ensures shareholder stability and receives part of the dividends generated by the company's commercial activities, which are then allocated to projects of general interest. This fund is one of the elements of governance. In fact, the Constitution, drawn up in 2011, represents an additional specific element since it sets out in writing the rules and principles governing the operation of the company, with which all the bodies and players involved in governance must comply. Asteroid B612, which owns 2% of the holding company and 51% of the voting rights, is responsible for ensuring that the Constitution is properly applied.



Florence Guémy, BAYARD

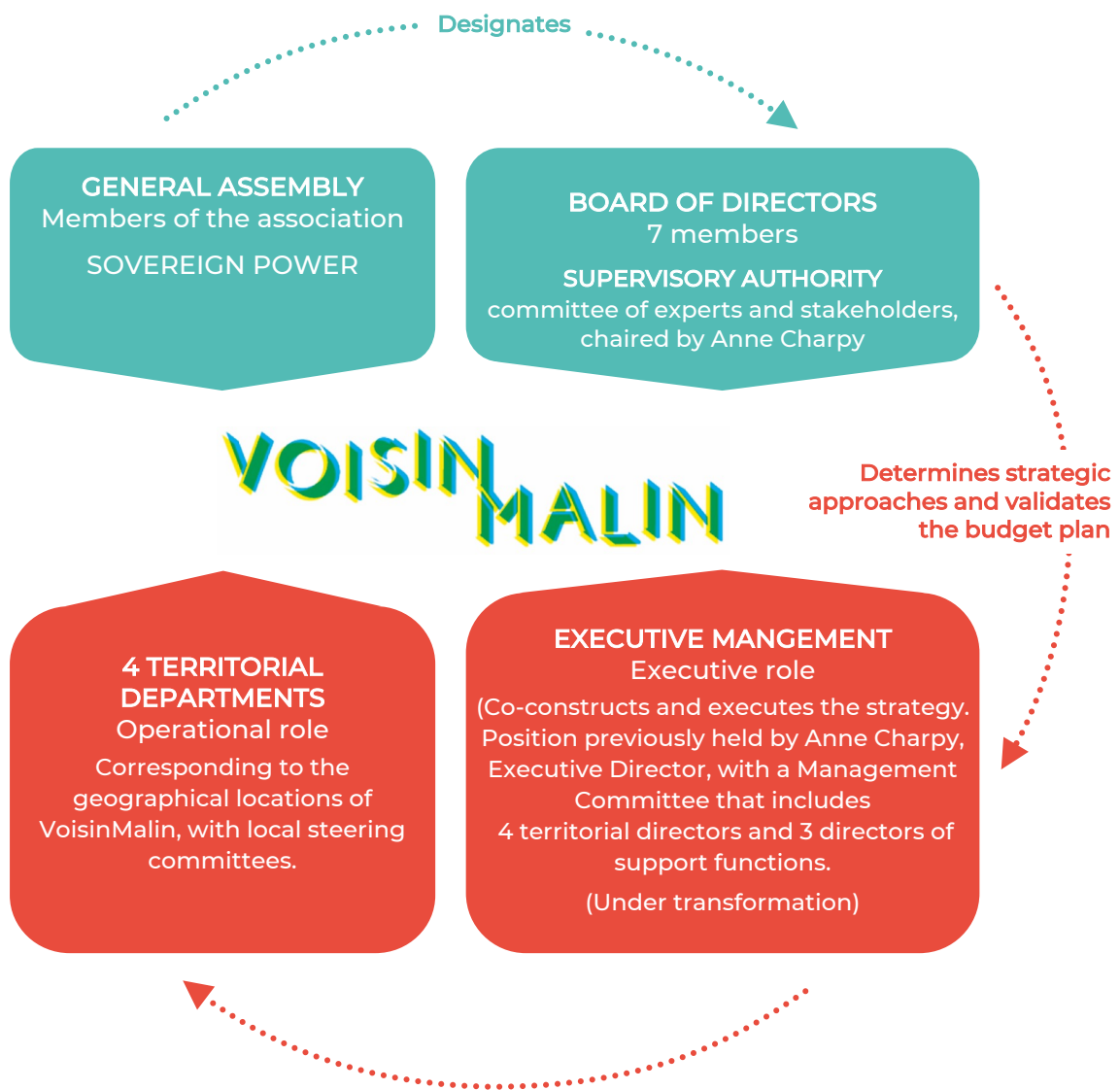
Florence Guémy is a member of the Management Board of Bayard, one of France's largest press and publishing groups. Specializing in young adult, senior and religious publications, the group has sales of €348m (2021) and employs more than 1,600 people in 10 countries. Bayard is a **public limited company with a Management Board and a Supervisory Board.** Executive management is entrusted to the Management Board, a collegial body made up of four Managing Directors, supported by two Deputy Managing Directors and a General Secretary. Supervisory power rests with the Supervisory Board, which is made up of thirteen members. **Bayard has a unique shareholder base:** since its creation in 1873, the company has been owned by a Catholic congregation, the Congregation of the Assumptionist Augustinians. This provides Bayard with a stable, not-for-profit shareholder base: **no dividends have been paid since 1965** and all profits generated are reinvested, reinforcing the group's long-term viability. Thanks to this shareholding, Bayard has from the outset pursued a vision of the press focused on the general interest, serving education, and raising awareness.



GROUP OF DIRECTOR-SHAREHOLDERS OR FOUNDERS (IN ALPHABETICAL ORDER)

Anne Charpy, VOISIN MALIN

Anne Charpy founded the Voisin Malin association in 2010, which she now chairs and manages. The association builds neighborhood networks based around “smart neighbors”, local residents and employees of the association, who are tasked with carrying out door-to-door missions to listen to, inform, raise awareness among and mobilize residents, in partnership with local players. With an annual budget of €2.5 million (2022), the association currently employs 180 people spread across the Île-de-France region, the north of France and the suburbs of Lyon and Marseille. Like any other association, Voisin Malin has a general meeting, a board of directors (made up of external administrators) and a management committee.



Odile Ehrbar, ADAXO

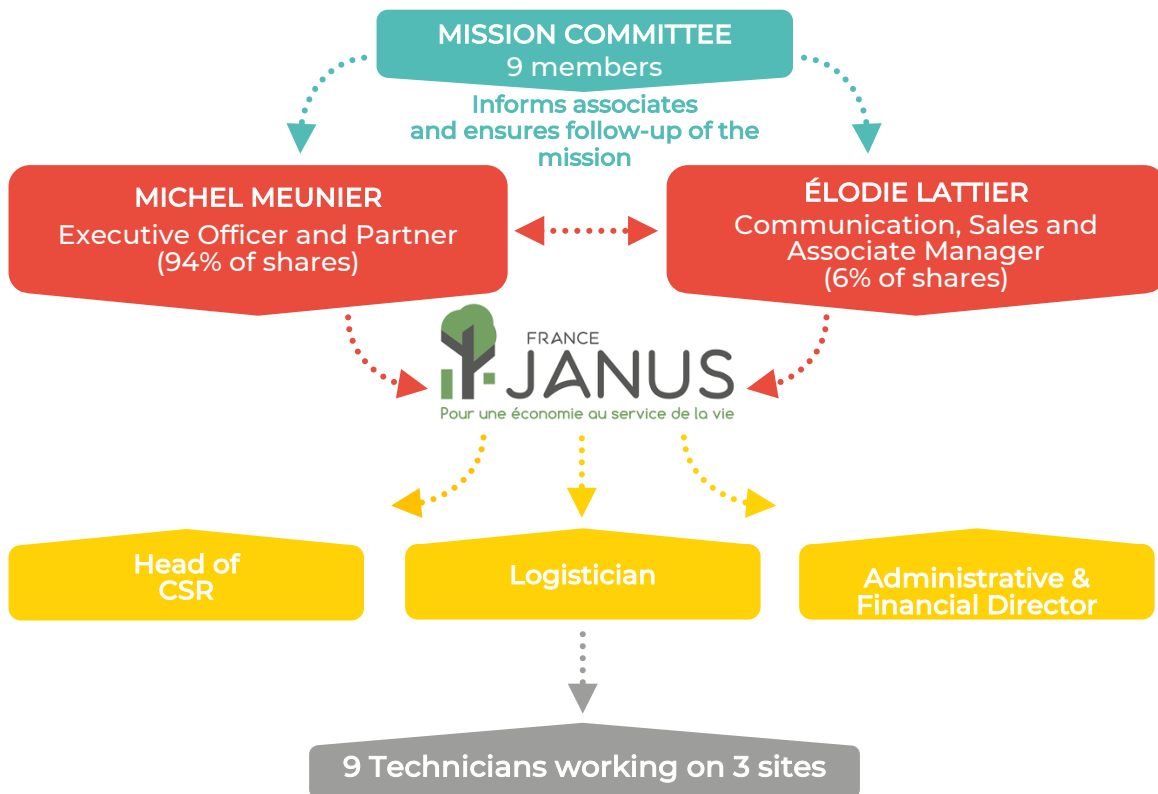
Odile Ehrbar founded Adaxo in Strasbourg in 2004. The company develops and markets Vapodil, a dry steam-based cleaning system through a direct sales network for both the domestic and professional markets and runs an online eco-products sales platform. The company has five direct employees and a network of around seventy independent sales representatives. **Odile Ehrbar is the company's sole shareholder and is currently in the process of selling/transferring the business as it grows.**



Michel Meunier, JANUS

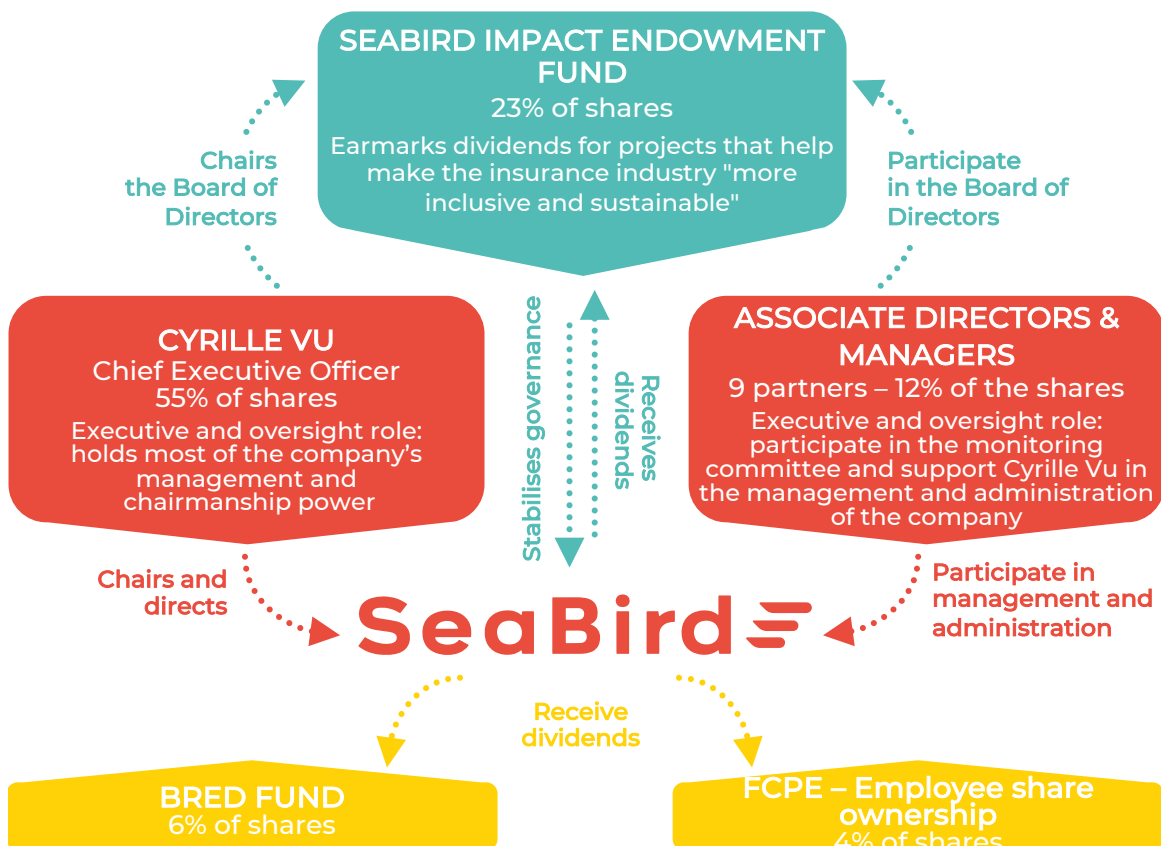
Michel Meunier took over Janus, a joinery, glazing and locksmithing business, in 2013. The company has 3 sites in Hauts-de-France and Île-de-France and generates sales of €1.2m with around 15 employees. **One of the first mission-based companies in France**, Janus has set itself the mission of “protecting and preserving human, land and natural capital (including biodiversity)”, becoming “a committed player that contributes to achieving carbon neutrality objectives through the maintenance and renovation of private and public property” and acting “on a daily basis to sustainably improve the well-being of occupants and thus contribute to the social and environmental resilience of different areas by applying a human, approachable and responsible approach”.

The company is gradually moving towards a service model, promoting customer empowerment (through free online training modules) and product circularity. In particular, it is moving away from new construction and gradually turning to the renovation and upgrading of existing buildings. Janus also measures the environmental footprint of the products it uses and sells to raise customer awareness of the impact of their purchases. **Janus's governance is typical of a small, young company**: two partners, Michel Meunier and Élodie Lattier, share the company's management and administrative functions. However, as the company's majority shareholder (94% of the shares), Michel Meunier effectively holds the concentration of power. **The partners wish to incorporate the mission committee, made up of various stakeholders, into the strategic decision-making process.**



Cyrille Vu, SEABIRD

Cyrille Vu is Chairman and CEO of SeaBird, a consulting firm specializing in the insurance sector, founded in 2005, with 210 employees and sales of €30m. He joined the company in 2010 as Managing Director before becoming CEO in 2014. The company has evolved very rapidly under Cyrille Vu's leadership, with annual growth of 20% between 2014 and 2019, accompanied by a change in shareholder structure with the gradual withdrawal of the founder and the BRED investment fund. Drawing on his majority shareholding position, Cyrille Vu initiated a review of SeaBird's governance in 2019, with a particular focus on the distribution of value within the company. This review resulted in the creation of the SeaBird Impact endowment fund in 2019, now a 23% shareholder in the company, which donates dividends received to causes that help make the insurance sector more sustainable. The following year, SeaBird set up a corporate mutual fund (Fonds Commun de Placement en Entreprise, FCPE) through which 2/3 of employees now collectively hold 4% of the company's capital. The company has also given itself a (non-statutory) raison d'être and is considering adopting the status of mission-led company. In spite of these changes, Cyrille Vu has de facto control of most of the company's executive and supervisory powers, even though he has enlisted the support of eight associate directors who share the company's executive management with him and hold 12% of the capital.



3 SUMMARY TABLE OF THE GOVERNANCE OF PARTICIPATING ORGANIZATIONS

ORGANIZATION & LEADER	POSITION	STATUS	GOVERNANCE	KEY FIGURES	SECTOR
BAYARD Florence Guémy	Chief executive officer	Société Anonyme	Executive Board and Supervisory Board Future mission-led company (in progress)	Founded: 1873 1640 employees €345M sales (2021)	Media
NAOS Mira Draganova	Director of the Central Eastern Europe region	SAS	Shareholder foundation (98% of shares) Board of directors + executive committee Non-statutory purpose	Founded: 1977 3026 employees €630M sales (2021)	Health & / Beauty
ROOLE Frédéric Jaubert Servane Petit Jérôme Decroix	Former Chief Executive Officer Human Resources Director Chief Financial Officer	Insurance brokerage company	Future mission-led company (in progress) Board of Directors	Founded: 1982 270 employees 494M sales (2021)	Mobility / insurance
SEABIRD Cyrille Vu	Chief Executive Officer and majority shareholder (55%)	SAS	Shareholder foundation (23% of shares) Corporate mutual fund (16% of shares) Future mission-driven company (in progress) Executive Management Committee	Founded: 2005 210 employees €30M sales (2021)	Consulting / insurance / finance
VOISIN MALIN Anne Charpy	President of the Board, Director, and Founder	Not-for-profit (Association loi 1901)	Annual General Meeting Board of Directors Executive Committee	Founded: 2010 180 employees €2.5M sales (2022)	Social
JANUS Michel Meunier	Executive Officer General Manager Partner & majority shareholder (94%)	SARL	Mission-led company Mission Committee (9 members)	Founded: 2013 14 employees €1.2M sales (2020)	Building/Shopfitting
ADAXO Odile Ehrbar	Director and founder Sole shareholder	SAS	No formal governance body	Founded: 2004 5 employees €1M sales (2019)	Maintenance equipment

4 METHODOLOGICAL DETAILS

Our first step was to build a theoretical framework based on a review of the academic and non-academic literature, which we mainly carried out between September and December 2021 and refined throughout the program. We also mapped the “alternative” governance models that have developed within organizations in recent years.

The second key stage of this research, a participant observation phase, took place from 27 to 28 January 2022, during the governance module of the “Straight from the Heart” program, in which Geneviève Ferone Creuzet (associate at Prophil) also took part. We were able to establish a relationship of trust with the managers and observe their level of understanding of the subject, their issues, and their thoughts on governance. We also gave them a detailed presentation of the research program's objectives and methodology.

The third stage consisted of distributing questionnaires to those employees working closely with the managers and/or members of the governance team to gather the views of outsiders and measure the difference between the managers' discourse and perception of the leaders, and the reality of governance and their actions in their organization. The initial objective was to administer one questionnaire at the beginning/middle of the program and one at the end to measure the progress and impact of the course. For various reasons, we were unable to obtain all the data we had hoped for and decided to adapt the methodology.

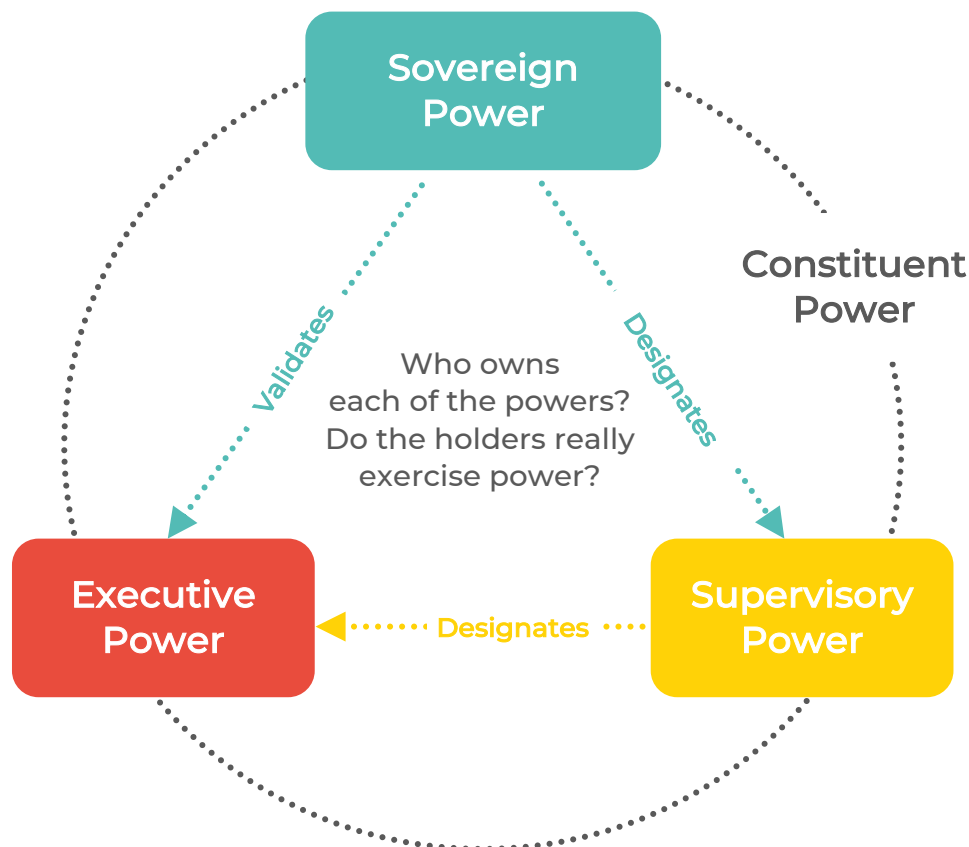
We therefore decided to organize focus groups with the course leaders in December 2022, to collect data to complement the interviews conducted by Stéphane La Branche as part of the [Heart intelligence in action: obstacles and levers](#) research program at the beginning, middle and end of the course. The aim was to assess the evolution of their representations of governance, how they went about it, and to identify the personal and organizational obstacles and levers they faced in implementing a transformation in their companies.

Lastly, analysis of the sample of participating organizations and managers and of all the data obtained (from interviews, observations and, questionnaires) enabled us to draw up this final report and propose several hypotheses and recommendations.

5 THE FOUR POWERS OF CORPORATE GOVERNANCE

Pierre-Yves Gomez (2018) proposes a typology of governance models by breaking down responsibilities into four powers. Sovereign power – often embodied by shareholders or members at a general meeting – underpins the other powers and ensures their continuity. It can vote on the annual accounts and appoint those with supervisory powers (directors). The latter's function is to administer the organization, which includes responsibility for appointing its managers (holders of executive power) and selecting strategic approaches from among those they propose. Lastly, the constituent power sets the rules under which governance may be exercised, which is why it is mainly vested in the national government.

Based on this distinction, Pierre-Yves Gomez points out that all organizational governance can be analyzed in terms of the unique way in which an organization allocates and exercises each of these powers. A family business will often concentrate all powers in the hands of its founder, whereas in a listed public limited company (SA), the shareholders holding sovereign power will entrust supervisory power to a board of directors (or supervisory board in a dualist system), which will in turn appoint a managing director (or management board in a dualist system).



ABOUT US



Founded by 15 business leaders, Heart Leadership University is an educational and scientific non-profit organization.

Our mission is to revolutionize the education of business leaders, renew the imaginaries of leadership, and bring to the fore a movement of leaders who will lead, innovate, and make decisions from the heart (with intuition, courage, and empathy) to preserve our humanity and overcome the challenges of the 21st century (misuse of AI systems, ecological collapses, rampant inequalities).

Our activities: a transformation pathway for company managers, spaces for information and debates, and research activities.

Guided by its Scientific Advisory Board, HLU conducts independent, interdisciplinary research work in a singular field: that of relations (inter-human relations, relations with other living creatures, with machines). Largely unexplored, this field is nonetheless fundamental, insofar as relations are at the heart of what makes us human beings. Our current programs are focused on leaders and the exercise of leadership. How, as sensitive human beings, do leaders relate with their living environment, with their field of operation? Can leaders really transform their companies by making strategic decisions driven from the heart? What are the imaginaries of leadership of yesterday and of today, and what kind of leaders do we want for the 21st century? What are the consequences of deploying artificial intelligence systems on the quality of human relations, and on the capacity of leaders to make decisions in total freedom? These are some of the questions that our work aims to document, disseminate and debate.

To find out more, visit [our website](#).

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Prophil is a mission-led consulting and research company dedicated to helping businesses contribute to the common good. Its mission is to pave the way for accelerating the contribution of companies to the common good and to support entrepreneurs committed to implementing alternative strategies.

Through its research activities, Prophil has contributed to the emergence in France of the Shareholder Foundation and Mission-Driven Company models and has applied the post-growth prism to business.

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