Decision-making by organizations in an environment that is complex and full of paradoxes

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Ladies and Gentlemen, Good day.

I am quite humbled to talk to you on the challenges that organizations face when taking decisions in an environment as ours that is complex and full of paradoxes.

In an environment that is increasingly complex, globalized and dynamic, multiple demands, both contradictory and interdependent, addressed to our organizations, exert constant pressure on individuals and teams. This situation generates tensions that are manifested more or less strongly at different levels of responsibility.

We are going to try to respond to some of these issues based on an integrated leadership approach that we have adopted at Eneo; an approach that extols a constant balance of objectives that are apparently contradictory, in order to be realistic and efficient, within the specific cultural context of our organization, of our partners and of our customers.
Before getting to the topic at hand, I would like to thank the organizers of this conference for inviting me to speak at this gathering; I am quite honoured. I wish that our exchanges should be fruitful and particularly that we should learn from each other.

**About Eneo Cameroon**

Eneo is a major operator in the electricity sector in Cameroon. Our ambition is to supply reliable energy and provide service quality to our customers while being a governance model in Africa. In order to accomplish this mission, four values guide our daily activities i.e. integrity, cohesion, respect and commitment.

Eneo is contractually bound to the State of Cameroon through a Framework Concession Agreement and related Agreements for a period of twenty years which ends on 17 July 2021. We were notified of the decision of the President of the Republic to extend the said agreements for a period of 10 years as from 18 July 2021, with regard to the Generation and Distribution segments, with the understanding that the Transmission Concession Agreement and the Electricity Transmission System Operation will end on 31 December 2018.
Today, Eneo boasts of 1.200.000 customers throughout our 10 regions and each year we connect on average 100.000 new households and businesses to the electrical network.

Our company is shouldered by 3750 employees spread out in our main activities which are generation, distribution and commercialization of electrical energy in Cameroon.

![Paradox and Complexity in Organizations](image)

With regard to complexity, we are often faced with dilemmas since the options before us “EITHER/OR” each present advantages and disadvantages. For example: Should we build a new transformer substation or a new line? Should we increase our generation capacities by building a new power plant, provide certain services in-house or outsource them? Should we create a partnership with another organization? Should we recruit a new Director?

In fact, irrespective of the level of complexity, once an efficient solution is implemented, the problem is resolved.

Concerning paradoxes, they are ideas or proposals that – at first sight – are amazing or shocking i.e. which seem to go against common sense. They represent a situation where “BOTH/AND”, two or several apparent contradictions must be implemented; in such a case, a synthesis or an option is neither possible nor desirable.
Here are some examples of paradoxes that all of us try to manage in our lives:

- "My family is my priority, thus, I must work long hours to meet their needs."
- "For people to succeed, you must first of all allow them to fail."
- "We must invest in the future and at the same time, maximize returns for our shareholders today."

The logic of "BOTH/AND" is due to the fact that the paradoxes are problems that cannot be resolved by a simple solution. They are cyclic and recurrent problems, for which we must continuously change from one position to another, from one pole to another.

These problems can polarize individuals into groups that feel comfortable in one of the positions.

The inability to manage paradoxes explains why certain businesses sometimes face difficulties attaining their objectives.
Our conviction is that managers and businesses would have been more successful if the paradoxes they face were managed so as to arrive at more balanced solutions.

We are faced with paradoxes each day at our workplaces. It is important for us to learn how to master this balancing act:

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In a globalized world, if we must adopt a global and multicultural mentality, while taking cognizance of national concerns, it is essential that we recognize and promote local demands or nuances – which are dear to us. International principles are immutable, but their application must take into consideration local culture and the level of maturity of the organization.

We must thus manage contradictions at various levels of our organizations.

Managers must:

- Maintain distance and proximity with teams/collaborators;
- Treat subordinates evenly while allowing for peculiarities;
- Ensure the control of decisions while giving room for autonomy;
- Acting globally while taken into account local nuances;
- Develop/promote local capital without losing sight of multiculturalism and universality.

With regard to teams, they are forced to deal with tension between:
• Individual and collective attainments;
• Technical management and business management;
• Creativity and efficiency.

At the level of individuals, the challenge consists in finding a balance between:

• Work and family;
• Learning and being efficient;
• Collaboration/team spirit and competition;
• Results of the business and personal rewards.

In order to manage these paradoxes, at Eneo, we have adopted an integrated leadership approach “Think Big, Start Small.”

This simple three-part leadership concept defines the strategic orientation and serves as compass to guide the daily tactical actions allowing for high impact small practical improvements while referring constantly to the cultural context.
We could say: tactics that focus on quick gains and which require little effort. ... But also note that this approach must be maintained in constant equilibrium, in order to be realistic and efficient, in view of the specific cultural context of the organization, of our partners, of our environment and of our customers.

In order to achieve change in a dynamic and stimulating environment like Cameroon, integrated leadership demands that we adopt the "BOTH/AND" approach...

We must think:

• Big Picture ... AND Small Details: Provide Stable, Quality Energy (Build Large Dams) AND Replace Defective Poles
• Benefits ... AND Public Service: To be profitable AND to promote access to electricity throughout the entire country
• Efficiency ... AND Innovation
• Infrastructure ... AND Customer Service
• Shareholders returns... AND Sustainable development
• Employee Sensitization ... AND Behavioural Sanctions
• Complex technology.... AND continuous improvements

We have 3 examples to share with you:
The best-performing utility companies use technology to improve service, and strengthen controls in key areas such as meter reading, network management, demand-supply balance, inventory management, distribution of bills, etc. The challenge and paradox in Africa is resistance to technologies that are perceived as a threat to people and employment in a context of high unskilled labour and high unemployment rate.

In Eneo, at the organizational level, we have implemented a transformation with value-added jobs and skills. We want a forward-looking company with staff reaching their best professional potential. Our vision is shared by all, and a gradual implementation of technology has been adopted - gradual change rather than abrupt termination. The regular commitment of teams to embrace change and transformation is visible. Dialogue on the change of jobs and potential job losses has been introduced.

Continuous professional development to support individuals impacted by the changes.
RESULT: The automatic reading of meters in the pilot phase made it possible to reduce bill disputes, and consumption estimates are becoming more precise. The implementation of the single source of data with different steps has helped to drive continuous and smooth changes. In fact, we have recruited more than 800 new people and have promoted more than 2 000 employees at Eneo since 2014.

Private companies are profit-oriented, while public companies are service oriented. Therefore, they need to incorporate a strategic mind-set and performance tools into their plans and growth activities. The challenge for our company is to remain focused on sustainable development and supply of electricity throughout the country whereas we are not making profits and having cash flow constraints.

The "target markets" concept also concerns us. At the organizational level, the indicators should be distinct for cities (profitable parts of the business) and for rural - public service.
Similarly, indicators for industrial customers and SMEs must be distinct from high residential and low residential.

Our teams are committed to specific indicators. For example, we recently started bulldozing the line corridors to ensure quality service in the rural areas of the equatorial forest. This comes with a replacement of wooden poles by metal poles in swampy areas or stress points. The work began on the Mbalmayo-Sangmelima stretch and continuing along the Mbalmayo, Ebolowa, Bertoua, Minta and Loum Yabassi stretches. We will go from 4.5% of non-wood poles in Medium Voltage to 7.5% this year (6 000 MV wood poles with metal poles). At the same time, we will continue to improve electricity supply in the cities of Yaounde and Douala depending on our resources.

RESULT: An independent review of development partners shows that significant progress has been made, although much remains to be done. The company has also improved awareness on the dangers of electricity, gender mainstreaming and support for communities to have access to electricity.
We cannot, from Koumassi, give the orders for the replacement of a transformer in Kousséri (without significant losses in efficiency). How will we be able to make sure that the transformer has actually been changed? How can we guarantee the ethics of our teammates? We have decided to decentralize but also to oversee:

- Full powers to sign work orders;
- Training on good governance in class and online
- Decision-making Support Tools: Code of Ethics and Business Conduct;
- Self-assessment of compliance levels;
- Computer tools, geolocation of interventions;
- Staff mobility within the organization;
- Monitoring and weekly reporting;
- Council of Elders to analyse abuses and propose sanctions;

RESULT: The intervention time has reduced significantly, the teams feel responsible, local initiatives are increasing and management of our stock is improving...

- Increase in stock availability from 80% to 94%;
- 50% improvement in response time following an incident;
- However, we regret to note more than 30 cases of dismissals annually.

Paradoxes are found at the level of our culture, organization, leadership, teams and individuals.

Multiple demands that appear to be contradictory and interdependent are often seen in:

- Human Resource Management;
- Creativity, Technology, Innovation - Change Management;
- Social responsibility and sustainability.

This situation is experienced daily in Eneo, we come up with solutions every day. You too can contribute to it:

- Economic operators: Work with Eneo to invest in potential segments such as renewable energy, local manufacturing of inputs such as cables, poles, transformers, etc. instead of just limiting yourselves to the fact that power outages hurt your businesses;
- Pay your bills and denounce fraudsters (even anonymously);
- Recommend to us competent candidates that you would have recruited yourself;
- Educate people around you about the danger of electricity and the negative effect of fraud;
- If you are a contractor in the sector, set high standards for the good of all.

As I draw to the end of my presentation, I would like us to consider this last national paradox. My hope is that we can decide to join hands and, together, make even more progress for our businesses and our country.

Thank you for your kind attention.