Financialization and the Employee Suicide Crisis at France Telecom

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Abstract The privatization of France Telecom [FT] in 1997 led to the implementation of a profit-oriented financialization strategy. An unforgiving work environment developed that unsettled many employees. Between February 2008 and October 2011, 69 employees took their own life. Many left notes blaming management for having privileged the interests of shareholders over those of employees. Through interviews with employees and professional practitioners associated with FT, we reveal that employees strongly resented the company's use of financialization policies to maximize shareholder value. Pursuit of such policies led to the de-institutionalization of socially-prescribed norms that were applied commonly in Continental European workplaces. Feelings of anomie, disgrace, futility and isolation ensued among employees. This case highlights an important effect of a modern corporation's adoption of financialization policies. It points to the need to improve workplace sensitivities and the ethical dispositions of companies and their managers.

Keywords Employee · financialization · solidarity · suicide · workplace · anomie

Introduction

This paper explores the link between dysfunctional "financialized" management control systems and a deviant behaviour: suicide. We report on what can happen in workplaces when cultural goals (values) and institutionalized means (norms) are altered radically, as a consequence of a management imperative to maximize shareholder value. We respond to Cushen's (2013: 329) call for further micro-level studies "on the ways financialization is transmitted, mediated, challenged and sustained in workplaces." We reinforce Cushen's findings that "financialization can cause insecurity, work intensification, suppression of voice … [and] prompt distress and anger amongst … workers" (p. 314). We argue that the financialization policies adopted by France Telecom [FT] disrupted the workplace, prompting anomie. Individualism and competition, infused through financialized performance management control systems, came to dominate an environment which had embraced institutional norms of consensus, cohesion, cooperation and respect for vocations. These core norms are features of many Continental European[1] workplaces (including in France). Such workplaces pursue co-determination and social partnership with varying degrees of intensity and method (Boyer 2013; Jackson, 2005). De-institutionalization of traditional norms at FT led to an environment in which employee feelings of disgrace, futility, and isolation, were aroused. For some employees, such feelings led to suicide.

Between February 2008 and October 2011, 69 of approximately 100,000 domestic employees of FT died by suicide, and a further 41 employees attempted suicide.[2] Many of the suicides occurred in the workplace. Many who suicided left notes blaming management policies and prevailing employment conditions. The opening and closing sentences of the first paragraph of a letter by a senior civil servant engineer who suicided on 14 July 2009 [translated from the French] state: "I kill myself because of my work at France Telecom. ... Management by fear!"

In 2008, senior managers of FT contended that the company's employee suicide rate was no higher than the national average of 16 deaths per 100,000 persons per annum.[3] However, FT acknowledged there was a problem after it was pressured for explanations from the French government. On 5 October 2009, FT announced the resignation of the deputy CEO in charge of restructuring (Louis-Pierre Wenes) and his replacement by Stéphane Richard. In March 2010, Richard was appointed CEO. He committed immediately to re-establish social cohesion in FT.[4] In April 2010, in response to formal complaints by trade unions, the Paris prosecutor's office inquired into human resources policies at FT.[5] In July 2012, Didier Lombard (CEO from 2005 to 2010), Olivier Barberot (previously head of human resources), and Louis-Pierre Wenes (deputy CEO), were investigated for moral harassment of employees and for undermining employees' physical and mental health.[6] In 2013, the plaintiffs were accused of "endangering the lives of others."[7] On 3 July 2013, Lombard's application to annul his indictment on procedural grounds was dismissed by the Paris Court of Appeal.[8]

FT was formed in 1997 as a consequence of the privatization of the former State-owned entity, *Direction Générale des Télécommunications*. Capital markets expected FT to deliver improved performance for shareholders. In accord with the market-oriented system of governance, the doctrine of shareholder value maximization [SVM] prompted management to adopt policies of financialization (explained below) and shareholder fundamentalism (Froud et al., 2000a; 2006).

We highlight the association between financialization and the development of a workplace environment conducive to employee death by suicide. In doing so, we offer fresh insights to the impact of financial austerity measures on the incidence of suicide. We add to Antonakakis and Collins' (2014) macro view of this impact by providing evidence from the micro cultural context of a French company. We explore how employees in a financialized company responded to newly introduced goals in a context where social partnership and co-determination had long sought features of workplace labour relations. Moreover, we draw attention to how the new profit-oriented strategy, which required the use of new financial control metrics to manage employees, prompted fierce competition and individualism.

Financialized management performance and control systems became pivotal elements in FT. They affected employees' perception of the value and utility of the institutionalized means (norms) they were accustomed to (such as workplace solidarity, mutual aid, and respect for technical vocations). The new accounting-based performance monitoring metrics overemphasized the new goals and de-institutionalized socially-structured means. The emergent by-products of financialization were feelings of anomie, disgrace, futility and isolation. Such feelings, we contend, prompted many employees to suicide. [9]

In the following section, we review literature that fosters understanding of how financialization could lead to suicides. We then outline our method and the FT context, present results, and offer concluding comments and discussion.

Literature Review

Financialization and Shareholder Value Maximization [SVM]

Financialization has been defined as "the increasingly significant role of financial markets, financial actors, and financial motives in daily life" (Cushen, 2013, p. 314). A key aspect of financialization is "a pattern of accumulation in which profits accrue primarily through financial channels rather than through trade and commodity production" (Krippner, 2005, p. 174). Financialization arises because finance is alleged to be "everywhere" (Epstein, 2005; Harvey, 2003). Increasingly, the lives of individuals are being mediated by new relationships with financial markets (Erturk et al., 2008). Many commentators claim that human society has become an accessory of the economic system, and that every aspect of life has been turned into a kind of capital: education and talent constitute "human capital"; and friends and family are "social capital" (Davis, 2009). Financialization is also an overarching expression that captures the re-orientation of company managements towards generating shareholder value through increased profits and higher share prices (Chabrak, 2011, 2014; Erturk et al., 2008; Froud et al., 2006; Lazonick, 2011).

Because companies depend on financial markets for capital, their managements give high priority to delivering shareholder value. According to agency theory (Jensen and Meckling, 1976), because shareholders have made risky investments without a contractually guaranteed return, they have a keen interest in monitoring managers to ensure an efficient allocation of resources (Lazonick, 2011). Hence, shareholders are given the right to have their interest considered first. (e.g., in the event of liquidation). In a market-oriented system of governance, shareholders have the only residual claim on the firm's profits. To preserve their interests, control of free cash flows has shifted from managers to the market. Shareholders are considered to be the "principals" who hire and control managers and directors to act as their "agents". As a consequence, the objective of many companies is to increase short-term profits and payouts to maintain a high share price (Fligstein, 1990). This is explained by the assumption of the standard shareholder-oriented model of a hypothetical, homogeneous, abstract shareholder. However, she is one who does not (and cannot) exist, but who, nonetheless, is generally regarded to be opportunistic and to have a short-term outlook (Stout, 2012).

Since firms are viewed as "driven by signals on financial markets" (Davis 2009, p. 63), financialization of management and organizations has occurred. Companies are now seen more as a collection of assets that provide returns to help increase share price. Internal capital allocation decisions are driven by their impact on the share price. Hence, the financial metrics of return on equity, earnings per share, dividend per share, free cash flow, and economic value added have become critical to organizations that are subject to financialized management performance assessment and control metrics.

The competition that exists in external capital markets is internalized now to motivate the performance of competing division managers and employees. The decisions of top-level managers are no longer merely industry-based, but are driven too by concerns for divisional profitability or product line profitability. If a product line does not earn the required rate of return, then there are strong economic incentives to divest. Mergers, downsizings, divestments, and other strategies are adopted in to increase payouts and support share prices (Chabrak, 2014; Fligstein, 1990; Froud et al., 2000a, 2000b; Lazonick, 2011; Lazonick and O'Sullivan, 2000; Stout, 2012). Decisions to outsource and convert fixed costs into variable costs help generate desired financial returns. Meanwhile, instead of retaining cash flows to spend on innovation and job creation, managements use cash flows to manipulate corporate stock prices, pay dividends, and fund buybacks. According to Lazonick and O'Sullivan (2000), the buying back by US companies of their own shares to boost financial indicators has exceeded their share issuances since the 1980s. With low interest rates in the US and Europe, managements have used financial leverage to finance buybacks and to increase return on equity. From 2000 to 2009, S&P 500 companies (about 75% of the market capitalization of all US publicly listed corporations) paid out 99% of their net income through buybacks and dividends (Lazonick, 2011). Once such financialized strategies prove successful, they spread quickly and become standard business practices.

Social Disintegration, Anomie and Suicide: Durkheim's Sociology of Business Ethics and Moral Role of the Division of Labour

Durkheim (1997; 2006) regarded the number of suicides in civilized society was an objective measure of social disintegration. He defined suicide to be a conscious positive or negative act that could not be explained by individual motivations and actions. He suggested that social realities existed outside of the individual, in the form of objective relations of society [structures]; and that these had coercive power to explain deviant acts, such as suicide. Based on the correlation he observed between industrialisation, weak regulation, weak integration and high suicide rates, Durkheim (2006) built a theory of suicide that distinguishes three major causes: egoism, anomie and altruism. Egotistical (egoistic) suicide and anomic suicide (explained below) are common in modern societies. Both are prompted by a breakdown in socially cohesive bonds, including in the workplace. In this paper, we ignore the altruistic form of suicide. It is not informative for our case.

Egotistical suicide occurs when a society weakens or disintegrates, leaving an individual depending less on the group, and more upon herself. When individuals cease to share group solidarity (e.g., in the workplace) and lose accompanying moral support and comfort, they can no longer recognize any rules of conduct beyond those based upon private interests. Their excessive individualism or egoism relaxes the link attaching them to society (Durkheim, 2006). Once estranged from group support, individuals have no attachment to a common purpose. They feel useless and devoid of *raison d'être*. Their feelings of sadness, depression and melancholy coalesce into a rationale for suicide.

Durkheim's concept of anomie helps to explain anomic suicide. Durkheim observed that suicide increases not only in times of crisis, but also after economic prosperity. He concluded that suicide could not be attributed to the decline of economic wellbeing. Rather, it is related to the failure of a society or any other social group, such as the family, the firm and the guilds [*corporations* or *corps de métiers* in French], to regulate individuals' beliefs and behaviour.

Anomic suicide occurs when individuals feel under little pressure to conform (Durkheim, 2006). Human desires become unlimited, less disciplined and over-excited. Individuals become exalted with the illusion that they depend only on themselves. Any limitation, or any collective and social discipline, becomes intolerable. Individuals fall into immorality, with feelings of anomie predicated on illusion, disappointment, dissatisfaction and impatience. Affected individuals experience emotional states of sorrow and exasperation; and physical states of lassitude and fatigue. They are more prone to suicide if they become isolated and separated from workplace colleagues who would otherwise give them collective energy to counter their anomie.

To better understand the wave of suicides that followed the financialization of FT's management and organization, we use two other theories: Merton's (1938) theory of anomie; and Durkheim's (1997) ideas of the moral role of the division of labour.

Merton's theory of anomie emphasized the goal of monetary success, but without outlining the means of achieving this goal. Anomie refers to the specific imbalance that arises when society stresses achievement of culturally-prescribed goals (values) but gives incommensurate emphasis to the prescribed means (norms) of achieving those goals. When there is singular devotion to goals, and disproportionate accent on them, without considering which is most efficient in achieving the socially-approved goal (Featherstone and Deflem, 2003), the "end-justifies-the-means" doctrine becomes a guiding tenet for action. "The technically most feasible procedure, whether legitimate or not, is preferred to the institutionally prescribed conduct" (Merton, 1938, p. 674). De-institutionalization of "socially-structured" means (norms) to achieve goals occurs, such that "the integration of society becomes tenuous and anomie ensues" (Merton, 1938, p. 674). As a result, demoralization occurs and individuals act in immoral ways to achieve success.

At the firm level, *anomie* arises from the absence of substantive norms (e.g., rules regulating work behaviour) and/or procedural norms (e.g., methods to allocate employees to jobs) (Fox and Flanders, 1969, pp. 156-7). A consequence of anomie is that "reference points" guiding employees' behaviours become "weakened and threatened with collapse [such that] disorder [is] manifest in un-patterned behaviour, leading to an undermining of integration and predictability in employees' actions" (Fox and Flanders, 1969, p. 158). Such disorder has the potential to lead to "dislocation, disruption and a variety of the symptoms associated with frustrated expectations" (Fox and Flanders, 1969, p. 158), including employee feelings of disgrace, futility, loneliness, and isolation.

Consistent with Durkheim (2006), a workplace suicide can signal that anomie has occurred; that the mutual support of colleagues, their cohesion and their social solidarity were impaired; and that social disorder has ensued. To rebuild social solidarity and the authority to regulate individuals' behaviours, Durkheim (2006) highlighted the moral role of the division of labour.

Division of labour is the assignment of employees to a particular stage of production or work occupation. Division of labour is desirable to achieve economic efficiency and to sustain social solidarity. Adam Smith (1776) argued that division of labour increases a worker's expertise and economic efficiency. The higher productivity individual workers achieve through division of labour enhances their welfare and the broader public interest (Von Mises, 1996; Hayek, 1991/2005). Durkheim (1997) expressed strong concern that modern business propagates economic solutions to what is essentially a problem of social order; and that the prime motive for assigning employees to a particular occupation is an economic one. Durkheim (1997) viewed this as undesirable because it would lead to decay in social life. He contended that individuals would inevitably discover they are linked strongly and inseparably to others who perform different labour functions. Since each individual's labour is specialized, there is more opportunity to be a moral creature with a strong bonding dependence on others. Such a perspective contrasts with the economic efficiency view in which individuals are deemed to be self-centred, with diminished regard for others. In such a case, they engage in fierce competition to maximize their pecuniary self-interests and deviant acts are more likely to occur.

Durkheim (1997) expressed the need for social institutions to counter the growth of business in modern societies and the economic rationale of the associated ethics. A modern equivalent to medieval guilds was proposed to provide "the moral discipline necessary for social solidarity and stability, [to stipulate] for their communities the boundaries of competition [and] the rules governing the relationships between employers and workers" (Hendry, 2001; p. 212). Social institutions within the business world should better serve social interests by providing an amenable framework for the lives of individual employees and should adopt a less oppressive moral stance in dealings with them. There needs to be greater sensitivity to motivations, passions, and needs of employees. Authority and moral power over employees can be effective in demanding sacrifices and concessions; in moderating passion, selfishness and excessiveness; in imposing rules to achieve goals; and in reminding employees of their duties and the interests of the general public.

In many Continental European countries, labour relations are characterized, explicitly or implicitly, by a quest for social partnership and co-determination, on economic and social matters, between government policy makers, business leaders and employees. In France, social partnership (*concertation* in French) is characterized by strong government involvement, prompted by marked decline in labour union membership. This has fallen from an average of about 21% of the workforce in the 1970s to about 7% after 2010 (OECD, 1994): France has one of the lowest rates of any OECD member country. Goetschy and Jobert (2011) attribute this decline to the effects of inter-union rivalry and the fragmentation of unions on ideological and political grounds. Trade unions were criticized for their lack of financial transparency and independence, and were regarded to be weak advocates for the workforce (EIRR, 2006). To promote stronger social dialogue, French governments have encouraged economy-wide and multi-industry (collective) bargaining, and more recently, company and sectoral agreements to push social partners to compromise at the micro-level. Government policy has also legitimised a role for non-union employees at the enterprise level too, such as through recognition of non-union workplace delegates, and the establishment of works councils (Goetschy and Jobert, 2011). Therefore, France has a discernible pattern of co-determination in which the government is instrumental.

Co-determination is an institutionalized process of employee information sharing, consulting with employees and unions, and involving employees and labour unions in organizational decision-making (Heiner, 2007). Levels of commitment to co-determination vary between nations. They are strongest where there is a code law system; less developed capital markets; consensus-oriented political systems; and strong unions (Jackson 2005). When assessed in terms of these four factors, co-determination in France is considered as the weakest in Europe, and lacking legitimacy (Jackson, 2005, p. 24). Part of the explanation is that governments, by codifying laws and regulations, compensate social partners for their inability to negotiate and compromise (Boyer, 2013). In France, co-determination by employers and unions does not occur habitually. Rather, highly politicized unions seem to eye co-determination suspiciously as a challenge to their authority and traditional leadership in garnering worker solidarity through collective action (such as strikes).

General labour relations settings of the type outlined above, and experienced in France, are the social institutions that have replaced the old guilds described by Durkheim (1997). Weakening social partnership and codetermination would lead new ethical values underpinning the economic rationale for modern business to transcend and de-institutionalize the socially-structured norms of consensus, cohesion, cooperation and respect for vocations. Thus, the usually amenable economic and moral framework for fostering the lives of employees, and for supporting the moral discipline necessary for social solidarity in the workplace, becomes far less secure, mainly when cultural goals (values) are altered radically, with the primacy of SVM. Such was the case at FT.

Method

During two workshops organized by the Monitoring Centre on Stress and Forced Mobility in Paris in 2010, we conducted two informal group conversational interviews with professional persons (e.g., doctors, lawyers, sociologists) associated with FT. These persons were invited by unions associated with FT to present testimonies describing their experience at FT during the wave of suicides. We took this opportunity to interact with participants and to collect additional data. We also conducted eight in-depth semi-structured interviews (of between 1 and 2.5 hours each) with four employees of FT aged between 40 and 60. Their names have been changed to mask identity:

- Chris, a former civil servant technician responsible for managing and maintaining networks;
- Neal, a senior executive in a laboratory, with an engineering background;
- Sebastien, a civil servant and a representative of the SUD union; and

- Dafne, former telecommunications engineering account manager.

To help validate the reliability of our analysis and facilitate deeper understanding of specific topics, Sebastien and Neal were interviewed twice, and Dafne three times. Additionally, we draw upon a wide range of external published reports and unpublished internal documents of FT; and archival information provided by the *Solidaires Unitaires Démocratiques* [SUD], the second largest of seven unions with members employed by FT. Secondary data were obtained from a variety of bibliographic sources, including scholarly journals, newspapers and periodicals.

The first and third authors conducted the interviews in French between June 2010 and August 2013. They were transcribed in French to avoid distortions from idiomatic terms. The combination of informal group conversational interviews and formal semi-structured interviews was intended to elicit a clear understanding of the workplace climate at the time of the suicides, and of the ambient social processes, social change, and social organization of FT (Mason 2002; Saunders et al. 2003). Employee interviews were framed thematically, with in-built flexibility to allow for probing on pertinent points to facilitate understanding of how employees interpreted events. We posed fact-based and interpretive questions to elicit interviewees' experiences and to reveal their opinions and feelings regarding the suicides. We were conscious not to allow our personal views to intrude.

After each employee interview, the two Francophone authors identified, verified and reported on the matters mentioned, in a fashion outlined by Huberman and Miles (1994). Interviewees were sent interview transcripts, together with our analysis of them. We asked interviewees to correct errors, highlight misinterpretations, volunteer additional information, and generally check the accuracy of our interpretations. Such a method helps attain a blend of "…

informants' words, impressions, and activities with an analysis of the historical and structural forces that shape the social world under investigation" (Jermier, 1998, p. 240).

France Telecom's Financialization Context

Prior to 1991, French telecommunications services were provided by the state-owned *Direction Générale des Télécommunications* [DGT], a branch of the French Postal and Telecommunications Ministry. All of DGT's salaried staff were civil servants. In 1991, DGT was corporatized, separated from the postal service, and renamed France Telecom. In 1996, FT became a public limited company. In 1997, the French government sold 25% of FT's shares to the public and company staff. Thereafter, FT's shares were listed on Euronext Paris S.A. and New York Stock Exchange. Between 2003 and 2010, the French government's direct and indirect shareholding in FT decreased from 55 percent to 27 percent.[10]

DGT's privatization was intended to increase competition, improve telecommunications quality, and decrease prices for consumers. FT's employees opposed privatization strongly. They were keen proponents of the provision of a national telephone service by a government body. Many feared losing their civil servant status in the privatization. Indeed, a large reduction in FT's workforce occurred. Many employees (including many former civil servants) were re-assigned to less prestigious positions in customer service and sales. FT adopted financialization policies as part of a broad shift in strategy by French companies towards financialization, globalization and a shareholder value ideology (Palpacuer et al., 2011).

To improve financial performance, FT expanded international operations in the early 2000's through alliances, partnerships, mergers and acquisitions: for example, by acquiring the UK-based mobile operator, Orange. In 2006, Orange was the business brand name of FT internationally (in the UK, Spain, Poland, Romania, Belgium, Switzerland, Slovakia, Mauritius and Senegal). FT's international expansion was fuelled by significant changes in regulatory, technological and competitive environments.

Competitive Pressures: "Content Everywhere" and "TOP 15+15+15" Plans

Beginning in 1998, most sectors of the French telecommunications market were opened to competition. In 2002, FT lost its monopoly to provide fixed line telephone services. Other regulatory changes exposed FT to increased competition by allowing local network unbundling, operator pre-selection, telephone number portability, and distribution frame access. Simultaneously, the boom in convergence of telecommunications and media/entertainment in the digital sector reduced FT's voice revenue in fixed and mobile telecommunications. FT sought to attract new clients, retain existing customers, and increase its average revenue per user. However, the costs involved affected FT's financial performance adversely. A "Content Everywhere" strategy integrated accessible on-line content: television, video on demand, music, games, and infotainment. FT invested strongly in Universal Mobile Telecommunications System licences and a new high-bandwidth European mobile network.

The financialization logic involving a new profit-oriented strategy led FT to expand internationally through expensive mergers and acquisitions.[11] This affected the company's financial situation adversely. FT's initiatives were funded by debt and share capital raisings. However, the bursting of the dot.com bubble in 2000 impaired market confidence in new communications technologies. This put strong pressure on FT's financial policy. The company's debt ballooned to €70 billion. It had a debt-to-equity ratio of 7.7 when Bon resigned as CEO in 2002. The stock price declined from a peak of €219 on 2 March 2000 to €6.94 on 30 September

2002. Subsequent CEOs, Breton (2002-05) and Lombard (2005-10) each implemented three-year plans to reduce debt and save costs.

In October 2002, Breton initiated the “TOP 15+15+15” operational improvement program: over three years, FT aimed to raise €15 billion from banks and the bond market, €15 billion from shareholders, and €15 billion from operations. FT’s strategy was to optimize investments, reduce operating costs, and reduce working capital requirements. In June 2003, FT agreed with unions to support internal mobility, public sector transfers, and redeployment of employees. However, cost reduction efforts were impaired by legislation passed on 31 December 2003 guaranteeing that FT’s state sector employees would retain their civil servant status, regardless of future changes in company ownership. By the end of 2003, FT had reduced its workforce by 16,000. In 2004, 900 civil servants were transferred to other public sector posts and 4,195 employees retired early.[12]

Lombard Era: NExT, ACT, Time to Move, and Part-time for Seniors Plans

Lombard (an executive director since 2003) replaced Breton as CEO in February 2005. Lombard pursued the same general strategies as his predecessor. In June 2005 he introduced a three year *NExT* (New Experience in Telecom) plan. This directed FT’s traffic to the Internet rather than traditional telephone lines; distributed media content to generate growth and customer loyalty; and internationalized the group under the Orange brand. *NExT* was intended to lead to simpler management, enhanced effectiveness, and lower costs (by reducing after-sales service, physical sales agencies and some strategic functions).

An amenable supporting human resources policy was needed to supplement the *NExT* plan. In July 2005, Lombard launched the *ACT* (Anticipation and Capabilities for Transformation) program to strengthen employee expertise in technical fields and to develop a new multi-skills approach to cost control and performance management. *ACT* required an ambitious program of staff development to ensure skilled employees were in the right place at the right time. Geographic mobility was encouraged through a *Time to Move* program.[13] FT believed employees should develop their skills and adapt to a changing environment − or else leave FT. Between 2006 and 2011, FT reduced its workforce in France by 24,421 permanent employees (11,116 early retirements, 3224 transfers to the public sector, and 10,061 departures for other reasons, mainly resignation).[14] In November 2009, FT announced a *Part-Time for Seniors Plan*. This allowed eligible long serving employees to work half-time but receive a base salary of 80 percent of their full-time rate plus 100 percent of employer and employee retirement contributions.[15]

Consequences of Shareholder Value Maximization and Financialization

From 2003 to 2005, FT reduced its debt substantially (see Table 1). However, from 2006, the most important priority was to maximize shareholder value (including by paying high dividends). Between 2006 and 2008, Operating Cash Flow [OCF] increased by 3.7 percent and Capital Expenditure [CAPEX] by 2.9 percent. During the same period, debt payments decreased by 64 percent but dividends increased by 90 percent. From 2003 to 2009, dividends increased by 460 percent. In 2008, 32.6 percent of OCF was paid out, and the retention for CAPEX was 46 percent. In 2009 and 2010, FT paid a dividend of €1.40 per share, despite net earnings per share being only €1.13 in 2009, and €0.40 in 2010.[16]

TABLE 1 ABOUT HERE

OCF increased following the implementation of the *NExT* program. FT was able to reduce operational expenses owing to its convergence strategy, job redundancies and resulting employee cost savings – at a time when revenues were growing (Table 2).

TABLE 2 ABOUT HERE

Between 2003 and 2008, revenues increased by 16 percent and employee numbers decreased by 14.8 percent. The portion of earned revenue paid to employees fell by 21.5 percent. Of reported revenue for 2008, 11.9 percent was paid to employees and 9.2 percent was paid to shareholders. This was a highly contestable policy of wealth distribution. Under an agreement for 2006-2008, employees were to receive additional incentive payments if the target set in an Operating Performance Indicator (related to revenue growth, control of operating costs, optimization of capital expenditures, and improved working capital) was exceeded; and desired Customer Service Quality indicators were attained. Employees were also entitled to participate in a special profit-sharing reserve.

Significant social costs arose from FT's financialization policies and its redefined identity. As explained in the next section, the workplace was assessed by the employees we interviewed as less sympathetic to them because they perceived the new goals were focused primarily on shareholders' interests. Interviewees felt strongly that FT's devotion to the newly set goals, in a business climate of fierce competition, encouraged inappropriate levels and measures of control. Many long-standing socially-structured means of operating were de-institutionalized. Many of the company's new customer service procedures and policies clashed with traditional principles of the former government-run DGT, which FT's civil servant employees had taken pride in operating. Feelings of anomie, uncertainty confusion, isolation, futility and disgrace arose among employees − followed by demoralization. Social workplace ties were impaired. A tragic social crisis ensued. In October 2009, a spate of employee suicides prompted FT to suspend any restructuring that required staff relocation or reassignment. On 9 June 2010, CEO Richard claimed the need to overcome "the dramatic series of suicides." He explained these as a crisis of management, a crisis of human resources, and a crisis of identity.[17] Richard promised a new social contract to strengthen the company's commitment to occupational health and its relationship with unions and employees.

The workplace labour relations climate had many common features with the one experienced at Foxconn (in Southern China) in 2010: an employee "suicide cluster" at Foxconn was attributed to "a lack of employee networks", "abusive management style" and "worker alienation" (Xu and Li 2013, p. 375). A study by the "Universities Across the Taiwan Strait Research Group on Foxconn 2010" concluded that the main reason for the suicides was "the isolation and alienation of the employees" (Xu and Li, 2013, p. 380). This was alleged to be because of a "deep-rooted corporate ideology [whose] purpose [was] to maximize shareholders' value rather than pursue other objectives, such as the well-being of its employees" (Xu and Li 2013, p. 382).

There are grounds to associate financialization policies with moral harassment or workplace bullying.[18] Salin (2003, p. 1228) refers to evidence implicating "larger societal forces, such as globalization and liberalizing markets" as causing an increase in bullying. To her examples of "larger societal forces" likely to promote bullying, we would add "financialization".

The issues we raise are likely to be particularly devastating in Continental European work environments, such as in France. These embrace a philosophy of labour relations that strive to attain social partnership and co-determination, in which workplaces are characterized by a commitment to solidarity, mutual aid, and respect for technical occupations.

Financialization and the Tragedy of Civil Servants

The Workplace as a Non-amenable Social Landscape

In 2008, a majority of suiciding FT employees were former civil servants. Despite their technical backgrounds, many had been assigned to non-technical work areas.[19] For them and many other non-civil servant employees, FT became a social landscape in which they no longer felt supported by fellow employees. The link between such feelings and the high incidence of employee suicide is consistent with a *Technologia* (consultants) finding that a major cause of the suicides was a loosening of social ties.[20] The prevailing ethos at FT allowed financialization to turn division of labour from its moral role (social solidarity) into a means for maximizing shareholder value (financial efficiency). The practices of financialization that were encouraged to assess employee performance changed prior work protocols considerably. They encouraged fierce competition among employees and promoted insensitive engagement by managers with them − especially with employees from formerly highly regarded technical occupations. Many employees lost moral power and became isolated.

Individualism and the Struggle to Survive

All interviewees believed that a quest to maximize shareholder value had shifted FT's strategic goals from long-term growth and customer satisfaction, to short-term financial performance and shareholder satisfaction. They alleged that financial indicators monitoring employees were a pervasive and intentional mode of organizational control; and that FT was insensitive to the importance of collective social well-being. By creating division among employees, and between employees and managers, FT had become immoral (in Durkheim's terms). Many employees felt isolated.

From the time of DGT's corporatization and renaming as FT, civil servants succumbed reluctantly to new employee performance rankings and reclassification systems (Decèze, 2008). These afforded employees three options: accept proposed reclassification and be assigned a new grade; contest the grade; or refuse to be reclassified. FT offered promotion as an inducement to accept reclassification. However, according to Dafne "to be promoted, you needed to move … it was up to you to sell yourself on the market and find a job." Civil servants soon discovered that strict new employment rules took no account of competency and seniority. Many employees with equal qualifications and skills were assigned different grades on the basis of the revenue earning capacity of their new position. Hence, a highly skilled technician could be deemed less qualified, and be paid less, than a much less skilled commercial clerk. To implement reclassifications, FT adopted employee performance appraisal systems based on economic and financial efficiency conceptions of the division of labour. As a consequence, employees in specific occupational groups competed to survive. In such an environment, weaker work colleagues became targets for destabilization.

According to Chris, FT's pursuit of profit was such that:

> ... each employee's daily billing capacity was assessed. Because you are worth what you bill, you are all the time under pressure if you don't meet the target imposed by your manager. Moreover, it was frustrating when you are compared to others. Repairing a line is worth 60 euros ... you need to do 5 [repairs] to reach 300 euros per day. A technician in charge of a main distribution frame could be worth 200 euros per day. Hence, our challenge was to increase our billing contribution … mutual aid was not valued … nobody gave up time to help others learn their job.

Sebastien refused to be reclassified. He kept his civil servant grade. He claimed some managers "used indecent methods to establish their authority." Dafne complained to management about the harsh practices inflicted on one of her subordinates. When her claims were ignored, she testified in court proceedings in support of a fellow employee who alleged moral harassment by two senior managers. According to Dafne, the reason the victim never suicided was that:

> … she was submissive and showed less resistance than other employees. So, the managers hounded her. As long as she accepted their game, she became their object of pleasure. After almost two years she decided to sue them in court. I gave her my support. I have been accused of betraying my fellow managers.

For Dafne, there were few ways to help fragile employees resist the excesses of managers. She believed that the pressure on employees sometimes targeted the most vulnerable:

> I attended meetings with Wenes [deputy CEO, in charge of restructuring]. You must master your job ... If not you are insulted and castigated … it is like a meeting with God! We feel [senior managers act with] omnipotence and impunity. They have the right to life and death. If you are blacklisted you can say goodbye to your career... Working in FT means that you should not appear vulnerable on the outside. You must be very strong.... But everyone could not be this way. There were people who were really depressed.

Neal asserted that it was not just former civil servants who suicide; but that some new young employees, who had failed to master their job, also cracked under managerial pressure. Chris regretted that programs to induct new employees had been weakened:

> Employees used to learn their new job during a six-month integration process involving many employees acting like a family. Today, if many young employees are suffering, it is because they don't master their job. They are trained for only one month and then left to their fate.

Sebastien claimed that several managers suicided because they felt guilty for pressuring employees. He alleged some managers could not cope with the realisation that they had been promoted only because of their ability to pressure people to leave.

Financialization led to a workplace environment where employees had to compete to retain their jobs. Performance monitoring using financial measures made a mockery of the technical utility of work, and grossly diminished the intrinsic satisfactions associated with pursuing a chosen occupation. For many employees, the idea of work had been disgraced. During the group interviews, Rachel Saada, a specialist in labour law and a member of the union of French lawyers, declared that FT had behaved in a "delinquent way" by encouraging the demise of several occupational groups of employees.

The Practice of Disgrace

Managers who pursued financialization policies seemed oblivious to the intrinsic qualitative value of work. Chris reported that he heard his manager saying: "I have toads in my team who pollute the numbers." By devaluing the work contribution of individuals, FT promoted feelings of disgrace (Dejours and Bègue, 2009).

Employees had limited ability to reduce competition with fellow employees. If they did not want to move away, they were forced to compete − contrary to Durkheim's ideas of organic solidarity based on division of labour. Increasingly, employees found it difficult to preserve their individuality, occupational specialties, contribution to common goals, and discontent at the repudiation of their skills and professionalism. Many employees lost face, a sense of pride in exercising a vocation, and the feeling of making a positive contribution. Haunted by feelings of worthlessness, they succumbed to financial performance indicators to become "just a number."

Dafne presented the following disturbing account of the workforce reductions:

> When Thierry Breton came he was accompanied by 60 consultants with a priority to reduce expenditure and to make all employees feel they were rubbish. Lombard was a technophile. … he was assisted by two of Breton's lieutenants: Barberot (Human Relations manager) and Wenes (called "the killer"). Wenes knew he had this image and did everything to nurture it… One thousand executives, mostly from X [Ecole Polytechnique, considered widely to be the best school in France]… became the target of attacks. To reduce their number to 500, they were ridiculed. They were told to feel happy because they were still here today but probably would not be in the future. The pressure they experienced was quickly passed on to subordinates through emails and daily behavior… I was involved in the termination of an architect considered a key person. … he was encouraged to leave so that better statistics could be communicated to Lombard. Later, he was hired as a consultant!
>
> … there was fierce competition between the [seven] members of the executive committee... [each] had his own objectives to reach, to please Lombard who was considered God. Barberot was concerned with downsizing so that the turnover per employee met market expectation. Pelissier (CFO) was nicknamed the "cost killer." Executives were encouraged by a shared sense of impunity. Downsizing quickly became the priority ... To please Lombard we needed to provide ideas on how to liquidate [terminate the employment of] a person.

All employees interviewed claimed that management's priority was to earn profits; and that there were fewer informal compliments for employees. Working at the speed imposed by FT was unacceptable to Chris. He claimed FT policed employees using a new route optimization program [OPTIM] that was implemented without consulting unions. OPTIM assigned a geographic area to a technician, based on urban density and traffic, determined a starting address, a return address, and a radiation index. Chris claimed that sometimes a technician was assigned a geographical area other than his usual one, simply for profit (not route) optimization reasons. He added:

> FT didn't respect the promise that a technician would not be assigned an area distant from his starting address, which is often his home... At the end of the day, you are expected to have performed all duties assigned to you. So, if you have difficulties finishing, you will work more, and for free, so as to not be considered incompetent. Worse, if you are not efficient, FT will outsource the service and you will lose your job... sometimes, you don't have time even to eat. New employees are expected to work even during their rest day.

Chris was dismayed that technicians were forced to focus more on financial performance rather than the quality of their work. He contrasted this work environment to the one that existed prior to privatization, where:

> It was my pleasure to do repairs and to feel the user's satisfaction... In the past, technical jobs were perceived as noble occupations in FT. Now technical workers are policed by a battery of indicators, which treat them like children and fool them, producing a kind of social regression… Technicians are disgraced.

FT's financialization steadily increased the number of staff (including many former technicians) who worked in customer service, marketing and branding. Many technicians were transferred to commercial offices or call centres. According to Chris "if they had forced me to work in a call center, this would have been too complicated to deal with for me.” Chris added that employees no longer understood management’s “schizophrenic” instructions. He stated that

> … because of management centralization due to cost reduction, every time there is a storm and telephone lines are out of service, we don’t even have a repair order … Previously, the team was managed by a technician but now they are all managers. Their only instruction was that your work should be calibrated! … even during the last snow storm, they didn’t think about the danger we would encounter if we continued working.

The isolation employees experienced impaired the development of pride in their work. All employees interviewed regarded the system of work measurement to be neither fair nor scientific. FT appeared to regard employees as immoral creatures who were motivated by ego (Durkheim, 1997). The possibility that employees valued the utility and beauty of their work, and their interactions with fellow employees, was ignored. Chris concluded that technicians had become socially-bereft nomads who “... can no longer encounter their colleagues ... they feel isolated. They don’t discuss things and they don’t share their experience.”

An Unfolding Tragedy

Chris said “every morning I received emails from my boss including job offers outside FT. Such actions destabilized employees.” Chris felt disgraced, denigrated, hostile, excluded and harassed by such action. Dafne reported to her boss that his failure to discipline several executives would inevitably be harmful:

> One day it will explode in your face. But he ignored my warning… When the first suicide in our department took place, it was Friday around 5:00 p.m. I will never forget this day. I sent him an email

saying: "you were warned but you ignored my warning. I hope that you will be able to continue living with such a culpability …" He never answered my message …

Many loyal long-serving employees were penalized for not striving hard enough to maximize shareholder value. FT was no longer a desirable social landscape, a source of employee self-understanding, and a community in which employees appreciated the work of each other. Employees were much less inclined to support colleagues who were distressed about their work situation. Sebastien lamented the "gloomy outlook" that developed.

The plight of former civil servants was pronounced. They had been naïve in thinking that their benign (former DGT) world of high employment security and guaranteed pension would continue after privatisation. Those who were not able to adjust to the newly set goals and management control metrics were disrupted and threatened by the cost-saving restructuring plan NExT, the ACT program,[21] and the permanent mobility program *Time to Move*.[22] These programs impaired the cohesiveness of social life in the workplace. Many employees moved from one job to another within FT, and from one region to another. Some transferred from FT to jobs elsewhere in the public sector, or retired early. Many experienced the stress and anguish of losing the job they were trained for. Those who resisted were often considered troublemakers. Employees began to fend for themselves. Many became isolated and lonely.

In February 2006, the French Democratic Confederation of Labour discovered a file containing information on employees working in a soon-to-be privatized section of FT (Decèze, 2008). Each employee was classified, from 1 to 4, according to criteria such as "speech", "potential" and "customer relations." In the margin, the manager's comments included: "very difficult to manage", "under strong medication", "real gossip", "sensible", "vulnerable", "a little depressed", "memory problems", *"a trade unionist!"* [italics applied]. A letter dated 18 January

2010 by barrister Annie Levi Ceyferman to the public prosecutor claimed that several members of the SUD group of labour unions were discriminated against − a claim consistent with Sebastien's experience. He was an active unionist who refused to comply with the employee classification system and FT's reorganization. After 38 years of loyal service in technical units, he was assigned a job recycling waste. Former civil servants such as Sebastien had become victims of a company which had morphed into "a crushing machine" (Decèze, 2008).

According to Sebastien, most civil servants eligible to participate in the early retirement plan were assigned jobs in call centres to encourage them to accept. This provided management with an avenue to negotiate individually with employees on termination, instead of engaging in a collective negotiation with unions. Thus, the downsizing process was informal and disguised. This weakened unions and diluted support for any industrial action they might recommend. When eligibility for the retirement plan terminated in 2006, most of those remaining in the company felt vulnerable because there was no longer a good opportunity to leave FT. According to Dafne:

> Civil servants were badly treated. They were responsible for the company's successes but nobody recognized this. They were seen as incompetent and inadequate for the new FT. … They were encouraged to leave by all means... non-executives and middle managers with technical backgrounds were forced to work in commercial areas without being consulted … without any training and psychological support, they were placed in call centres. These people usually were more than 50 years old but had no commercial background. They were locked in an office to receive a dressing down. This made them extremely unhappy. It was this, or leave on early retirement ... Officially, the reduction in the workforce was to be achieved by voluntary departures and never by layoffs. In fact, FT did everything to slam the door... FT identified fragile people and put them deliberately with work leaders with whom they would disagree.

Financialization impaired the social landscape of work at FT, with former civil servant employees affected particularly. These outcomes are similar to those reported after the adoption of a "new public management" approach in museums and cultural heritage sites operated by the provincial government of Alberta: taken-for-granted business logic, subtle forms of symbolic control, and undercutting of workers' professional identities (Oakes et al., 1998; Jermier, 1998, p. 247).

Discussion and Conclusions

FT's strategy of maximizing shareholder value was unsympathetic to employee concerns. The company's strategies, unintended or otherwise, reflected widespread contempt for long-cherished work values (especially among employees with civil servant status). By consecrating the view that a firm was an instrument to maximize shareholder value, financialization (especially in the context of a Continental European workplace), raises two major matters. First, how efficacious are newly set goals when they replace culturally-prescribed ones? Second, what are the effects on employees of the de-institutionalization of socially-structured norms in the workplace?

SVM as a New Goal in a Context of Co-determination and Social Partnership

A common assumption in much financialization literature is that any "redirecting [of] resources to owners will inevitably be detrimental to employees" (Wood and Wright, 2010, p. 1283). However, if the purpose of a company is directed towards the specific interests of shareholders, then companies should no longer be considered as likely to provide maximum possible benefit to society as a whole (Blair and Stout, 1999). In Continental European firms, each stakeholder has a legitimate perspective on what the purpose (culturally-prescribed goal) of the firm ought to be.

Shareholder primacy does not prevail. Rather, consensus and cooperation, as well as social partnership and co-determination, are the culturally-prescribed values. By embracing SVM, FT's identity was altered. The implicit social contract between social partners was broken.

Even if it was not the intended purpose of FT's managers to exclude and alienate employees, nonetheless employees *were* unsettled by the newly set financialization goals. Employees perceived that FT managers were vigorous proponents of SVM and eager to confront the established work culture. Support for such a perception can be drawn from a statement made to a public meeting in Paris in 2006, by Olivier Barberot, who was in charge of Human Resources at FT from 2006[23]:

> …people should know that when companies start restructuring, only few companies in the world do not make a redundancy plan, but offer conversions, mobilities, and early retirement plans, as we did. … They must understand that we are a private company and we are submissive to the competition. The reality of life is that we have the opportunity to prepare for the future in exceptional circumstances but this cannot last forever if we don't reach our objectives[24].

The objectives to which Barberot refers seem to have been driven by SVM. Many former civil servant employees were unable to face the uncertainty and insecurity of the new strategy and culture. They were unsettled substantially when the socially-structured means they were familiar with were de-institutionalized because newly-set goals (values) were overemphasized.

Financialization and De-institutionalization of Socially-structured Means

The triumph of the economic rationale of the division of labor arose due to the fierce competition employees felt in a context of anomie. Since financialization emphasizes SVM goals without fully considering the available means to achieve such goals, the competition created between employees forced them to go beyond the institutionalized, socially-structured means (norms) they were familiar with: cooperation, solidarity, mutual aid and respect for vocations.

Employees at FT were accustomed to valuing and respecting technicians, who were viewed as providing essential skills to achieve industrial innovation and competitiveness. Traditionally, French workplaces have acknowledged the importance of the occupation of "*techniciens*" [technicians]. FT was no exception. The job of technician was seen as entailing self-management (Crawford, 1989) and creative participation in production. However, in an era of de-industrialization, respect for technical vocations (engineers and technicians) declined. A report by Bordier et al. (2011) recommend urgent education reforms to avoid shortages in supply of engineers, which may affect adversely French industrial innovation and competitiveness. The Gallois Report (2012) highlighted declining numbers of students in technical vocational programs. It attributed this to a failure of educational programs to explain the major challenges of science, a drab image of technical vocations presented in high schools, and called for society to "rediscover the taste and optimism of science and technology" (p. 39). The targeting of technical vocations for job-shedding in episodes of corporate economic rationalisation and financialisation has rendered them less attractive.

When employees are engaged in a fierce competition without feeling any bonding dependence on others, and without having any regard for fellow employees, the ensuing environment is conducive to demoralization. The implementation of financialized management policies promoted an employee culture of individualism and disgrace (Dejours and Bègue, 2009) and led to an unsavoury, competitive, and unfair working environment. The introduction of workplace practices and policies such as *NExT*, ACT, and *Time to Move* weakened collective action by employees and labour unions, and reduced workplace harmony. Workplaces comprised isolated employees who were confronted with downsizing strategies and the daily reality of coping with new financial performance indicators and uncertainty.

Many employees felt withdrawn and isolated, betrayed by their new colleagues, and depressed because of the poor quality of their work. They worked harder in the hope of winning the esteem and approbation of peers and managers. Many did so without a well-developed understanding of the reasons for their feelings of disgrace. What many former civil servants experienced is described in the suicide note (cited earlier) as “management by terror.” Small misfortunes to which employees were subject, were magnified, pushing some to suicide.

The portrait we provide is of a company committed to SVM through financialization − even if this was to be achieved by isolating and alienating employees using unsympathetic, insensitive and morally harassing labour relations practices. FT allowed financialization to intrude, harmfully, on the collective dynamics and values of its employees. Its “obsessive search for financial returns” had a “de-humanizing effect” (Palpacuer et al., 2011, p. 578). This destroyed FT as a social community and as an environment in which employees were treated equitably.

In a contemporary society characterized by high levels of stress and competition, we should implement workplace-related policies that avoid the disintegration of social solidarity. However, such a result seems an inevitable by-product of the marginalizations that occur in modern workplaces. Anomie most likely occurs where financialization goals are overemphasized without due consideration of the suitability of approved means to achieve them. We should counter such behaviour by challenging vogue managerial obsessions with financialization policies and other compassionless mechanisms of employee control. We should not exalt the end outcome, and create excessive competition and individualism. Ultimately, this will prompt demoralization. We should acknowledge that policies of financialization bring competition inside the firm; and that they are difficult to reconcile with attitudes of trust, autonomy, respect for employees and their vocations, and co-determination in the workplace.

In a financialized organization, the introduction of shareholder primacy and attendant new metrics to motivate employees and to assess their performance, seems conducive to prompting anomie and social disintegration. This, in turn, is conducive to deviant behaviour, such as employee suicide. The pursuit of SVM in FT disrupted the goals employees were accustomed to aspire to, and violated values of co-determination and social partnership. Financialization overemphasized goals which led to de-institutionalization of the means (norms) employees were content with. Employees were no longer likely to see the beauty and the utility of their job. They became victims of sentiments of disgrace, futility and uselessness. Mutual support and social solidarity were impaired and replaced by a highly competitive and individualistic workplace environment. Many employees became prone to egotistical and anomic suicide.

Four lines of specific further enquiry seem warranted. First, many of the features associated with workplace bullying were evident at FT. There was “an increase in precarious employment, greater [employee] workloads, restructuring and downsizing, and the reduction in third-party [e.g. trade union] intervention in workplace relations” (Hutchinson, 2012, p. 637). More importantly, in the context of argument about the effects of employee isolation, is evidence that “pockets of isolated workers … are vulnerable to managerially led bullying” (Hoel and Beale, 2006, p. 251). Thus, it seems worthy to investigate the potential for financialization to be treated as a major risk factor that is conducive to workplace bullying. Such research seems warranted in view of the capability of financialization practices involving financial budgetary controls, financial performance metrics, and “contracting out” to induce stress in the workplace.

Second, it would be fruitful to explore whether Continental European-based values of French culture are fundamentally incompatible with financialization. It is noteworthy that on 6 March 2012, the County Court of Paris found that the French multinational pharmaceutical company, SANOFI, had instituted an illegal employee performance measurement system. Particular objection was made to the idea that employee compensation should be linked more strongly to "business results."[25] Third, further research should investigate the exercise of control in workplaces by exploring "… the larger social ecology and the web of relations in which workers are embedded … [including]… the connections between work and the other domains of life" (Jermier, 1998, p. 248, p. 252).

Finally, future research should analyze the tone at the top of a company, as expressed in the public discourse of its CEO. Such research should combine qualitative (close reading) and quantitative text-mining (e.g., using *DICTION* text analysis software) techniques (see Amernic et al., 2010). The tone at the top of an entity is extremely critical, especially where there is high uncertainty associated with organizational change. An inappropriate tone at the top (as we believe was the case at FT) can lead to the marginalization of employees and create an environment conducive to employee suicide.

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Table 1: Uses of Operating Cash Flow [OCF]

In € billion	2003	2004	2005	2006	2007	2008	2009	2010
OCF	11.30	12.70	13.37	13.86	14.64	15.00	14.38	12.58
Capital Expenditure [CAPEX]	5.10	5.10	6.00	6.70	7.00	6.90	5.30	5.59
CAPEX as a % of OCF	**45.2%**	**40.2%**	**44.9%**	**48.4%**	**47.8%**	**46%**	**36.9%**	**44.4%**
Debt payment	23.80	0.30	2.00	5.78	4.04	2.08	2.00	2.10
Debt payment as a % of OCF	**210%**	**2.3%**	**14.9%**	**41.7%**	**27.6%**	**13.8%**	**13.9%**	**16.7%**
Dividends	0	0.71	1.18	2.60	3.11	4.95	3.14	3.7
% of OCF paid in dividends	**0%**	**5.6%**	**8.9%**	**18.8%**	**21.4%**	**32.6%**	**21.9%**	**29.4%**
Dividend per share (in €)	0.25	0.48	1.00	1.20	1.30	1.40	1.40	1.40
Share price, end of year	22.66	24.36	20.99	20.95	24.65	19.96	17.43	15.59

Sources: annuals reports and registration documents

Table 2: Personnel Cost savings

	2003	2004	2005	2006	2007	2008	2009	2010
Revenues (€ billions)	46.1	47.2	49	51.7	52.9	53.5	45.9	45.5
Salaries (€ billions)	6.99	6.69	6.58	6.46	6.68	6.38	4.05	4.07
Employees Worldwide	218,523	206,485	203,008	191,036	187,331	186,049	180,580	170,616
Employees in France	129,897	124,980	120,974	108,888	106,172	102,254	100,153	102,552

Source: annual reports

Notes

[1] By "Continental European countries", we refer to France, Germany, Italy, Spain, Portugal, Belgium and Luxembourg. More specifically, our comments apply strongly to France and Germany because of the similarities they represent as corporatist welfare states (Esping-Andersen, 1989).

[2] (Monitoring Centre on Stress and Forced Mobility, http://www.observatoiredustressft.org/images/stories/pdf/Recensement_suicides_2008-2009_V24-06-2011.pdf; http://www.observatoiredustressft.org/images/stories/recensemt_suicides_27_oct_2011.pdf)

[3] The rate of suicide was higher than the national average of 16 in 2009 (when it was 19) and 2010 (27).

[4] http://www.lemonde.fr/economie/article/2010/03/25/stephane-richard-ma-responsabilite-c-est-la-cohesion-sociale_1324271_3234.html#ens_id=1347697

[5] http://www.france24.com/en/20100409-prosecutors-office-probes-suicides-france-telecom

[6]http://www.telegraph.co.uk/finance/financial-crime/9379649/Former-France-Telecom-boss-Didier-Lombard-bailed-in-suicides-investigation.html

[7] Suicides à France Télécom: un document accablant, *Le Parisien*, 7 May 2013, http://www.leparisien.fr/

[8] "Didier Lombard reste mis en examen", *Le Figaro*, 3 July 2013, http://www.lefigaro.fr/flash-eco/2013

[9] We do not argue that financialization was *solely* responsible for the suicides, but that it is due to a multiplicity of factors.

[10] http://www.orange.com/en_EN/finance/documentation/

[11] Those acquisitions were made at the height of the boom, just before the telecom bubble burst. They are now seen as poor managerial decisions, particularly as they were made primarily for cash, and not shares.

[12] http://www.orange.com/en_EN/finance/documentation/registration-documents/index-old.jsp#

[13] http://www.eurofound.europa.eu/eiro/2009/11/articles/fr0911029i.htm

[14] http://www.orange.com/en_EN/finance/documentation/registration-documents/index-old.jsp#

[15] Three thousand employees joined the plan before 31 December 2010. FT amended the plan on 23 December 2010 to provide additional benefits. It extended the period of cover until 31 December 2014 for all eligible employees who had not yet joined. http://www.orange.com/media/doc-finance/en/registration-documents/att00013459/registration-doc2005-vol1_en.pdf.

[16] From 1997 to 2002 the dividend per share was €1.

[17] http://www.orange.com

[18] For detailed exploration of workplace bullying, see Salin (2003) and Hoel and Beale (2006).

[19] http://www.observatoiredustressft.org/

[20] http://www.observatoiredustressft.org/

[21] This was described tartly by unions as *Allez Casse-Toi* [Get Lost].

[22] http://www.eurofound.europa.eu/eiro/2009/11/articles/fr0911029i.htm

[23] Barberot is the CEO of Globe Cast, a subsidiary of FT since 2010.

[24] The meeting minutes are available on http://www.mediapart.fr/files/ACSED.pdf (last accessed on July 30, 2014)

[25] The judgment is accessible at http://www.observatoiredustressft.org/