

MASTER

Advisering over de inrichting van holdingorganisaties

Smittenaar, F.A.C.

Award date:
2000

[Link to publication](#)

Disclaimer

This document contains a student thesis (bachelor's or master's), as authored by a student at Eindhoven University of Technology. Student theses are made available in the TU/e repository upon obtaining the required degree. The grade received is not published on the document as presented in the repository. The required complexity or quality of research of student theses may vary by program, and the required minimum study period may vary in duration.

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain

Advisering over de inrichting van holdingorganisaties

Rikkert Smittenaar
Eindhoven, september 2000

**NIET
UITLEENBAAR**

**NIET
UITLEENBAAR**

Advisering over de inrichting van holdingorganisaties

Eindrapportage afstudeeronderzoek
Uitgevoerd bij Bedrijfskundig Adviesbureau Koolen BV te Venray

Eindhoven, september 2000

Technische Universiteit Eindhoven
Faculteit Technologie Management
Opleiding Technische Bedrijfskunde

Afstudeerder: Rikkert Smittenaar
Identiteitsnummer: 389891

Begeleiding vanuit Bedrijfskundig Adviesbureau Koolen BV:
Ir. G. Koolen (Algemeen directeur Bedrijfskundig Adviesbureau Koolen BV)

Begeleiding vanuit de Technische Universiteit Eindhoven:
Dr.ir.ing. A.P. Nagel (Eerste begeleider, capaciteitsgroep Organisatiekunde)
Drs. F.C.L. Klarenaar (Tweede begeleider, capaciteitsgroep Bedrijfseconomie & Marketing)
Prof.dr.ir. J.E. van Aken (Derde beoordelaar, capaciteitsgroep Organisatiekunde)

Abstract

This graduation project describes the development of a consulting service aimed at the improvement of the structure and management of holding companies. The project has been executed on behalf of Bedrijfskundig Adviesbureau Koolen BV in Venray. Result is a phased approach for diagnosing a holding company, generating alternative options for improvement, evaluating these options and finally selecting the option to be implemented.

Executive Summary

“Consulting on the structure and management of holding companies”

This summary gives an overview of the graduation project carried out by Rikkert Smittenaar at Bedrijfskundig Adviesbureau Koolen BV in Venray. The project concerns the development of a consulting tool aimed at the redesign of the structure and management of holding companies. The summary is divided in five parts, describing the steps taken in the development process.

Introduction and assignment

Bedrijfskundig Adviesbureau Koolen BV is a small consulting company in Venray, employing eight consultants. Its main areas of consulting are strategic management and management systems. During acquisition, a demand was noticed for advice on how to design the structure and management of holding companies. Holding companies are companies consisting of several business units, managed by a head-office, the so-called holding. This means there is more than one level of general management.

Bedrijfskundig Adviesbureau Koolen BV decided to develop a consulting service aimed at this design question. This seemed to be a good opportunity for growth for the company. For the development, a graduation student was hired. The following research assignment was stated:

“Collect the required knowledge, and design a consulting tool, that supports the redesign of the structure and management processes of a holding company, as far as these are related to the relation between the head-office and the business units”

This led to the following steps to be taken:

1. literature survey, to collect the required knowledge;
2. interviews, to find out more about problems, related to structure and management, faced by holding companies;
3. design of the consulting tool;
4. development of a marketing plan for the consulting tool.

Literature survey

A thorough literature survey was carried out at the library of Eindhoven University of Technology, to find out all about holding companies. Important topics are:

Strategy – In holding companies, different levels of strategy can be distinguished. Corporate strategy tells in what businesses to compete, and business strategy tells how to compete in the different businesses. Different forms of corporate strategy can be distinguished: horizontal strategies, vertical strategies, related diversification strategies and non-related diversification strategies.

Value creation – The existence of more than one level of general management is justified by value-creating activities from the head-office. This value creation is demanded by two parties: the shareholders, and the business units. For the value creation by the head-office, four instruments are mentioned. These are stand-alone influence, linkage influence, central functions and services, and corporate development.

The instruments for value creation were used as a framework for the explication of the different aspects of structure and management. The stand-alone influence is similar to management, and the structure consists of two main topics: possible linkages, also called synergy, and central (i.e. carried out at the head-office) functions and services.

For the stand-alone influence, the tools are described. These are influence in the business strategy development process, allocation of resources, selection of business managers, review of the results, and reward of the managers. These tools should be designed according to the corporate strategy.

For the linkages, all possibilities are described. An important role for headquarters is not just in finding linkage possibilities, but also to facilitate the realisation of the possible advantages.

Different types of possible central activities are distinguished. These are the fixed activities, head-office supporting activities (mainly related to the management tools), co-ordinating activities for primary functions, central services, and central primary functions. For the central services, central primary functions, and the co-ordinating activities criteria are described whether or not to perform these functions centrally, directly under the head-office.

Interviews

Four interviews were held, to track possible problems with regard to the design of the structure and management in holding companies. Three problems arose:

1. the operational integration of two business units into one;
2. the building of a head-office for ten companies that decided to co-operate by means of a holding company;
3. the redesign of the head-office as a result of a strategy change.

The first problem was not directly associated with the relation between head-office and business units, therefore this problem was left out of consideration. The third problem was more likely to occur occasionally than the second, therefore the consulting tool should be tuned into the third problem.

Consulting tool

A universal step-plan for consulting was used as a basis for the consulting tool to be developed. This step-plan consists of the phases entry, diagnosis, action planning, implementation and termination. Entry and termination were left out of consideration.

During the diagnosis phase, an assessment is made from the current organisation, and from existing problems or issues of dissatisfaction in the organisation. Also, possible causes are being traced.

During the action planning phase, alternatives combinations of structure and management are generated. The criteria for the different types of central functions can be used here. The three most likely alternatives are specified in more detail, together with a specification of the change process required. Then, these alternatives are evaluated and a choice is made for the most likely alternative.

Marketing plan

For the new consulting tool, a marketing plan was developed based on the current marketing strategy.

Conclusions and recommendations

Conclusions:

- for the management of holding companies, the linkages and the central functions, criteria are given that make it possible to redesign an existing holding companies' structure and management;
- a consulting tool for redesign has been developed based on the literary knowledge;

With these, the assignment has been fulfilled.

Recommendations:

- development of a tool for the development of new consulting tools may facilitate further product development activities;
- the developed consulting tool may also be used in parts, if a customer has a more specific question or problem than a full redesign;
- for consulting on holding companies, a library of books related to the subject is useful; six books are recommended for this;
- for decisions on marketing, a clear and recorded marketing strategy can act as guidance; the marketing strategy should be made explicit and be recorded;
- further research on holding organisations may concern the criteria that opt for a central function *at function level*, and not at general level or type-of-function level;
- further research in consulting may concern the decision making process and the decision making unit of customers, in deciding whether or not to buy advice, and in deciding between possible consultants.

GERAADPLEEGDE LITERATUUR

Boeken

Aken, J.E. van; *Strategievorming en organisatiestructurering – organisatiekunde vanuit ontwerpperspectief*. Kluwer Bedrijfswetenschappen, Deventer, 1994.

Annink, R.A.P.; *Verzelfstandiging – strategische en organisatorische overwegingen voor het zelfstandig maken van concerndochters*. Van Gorcum, Assen/Maastricht, 1990.

Burger, Y.D., Demenint, M.I. & Treur, J.H.F.; *Effectief organiseren in de publieke en private sector*. Lemma, Utrecht, 1993.

Daems, H. & Douma, S.W.; *Concurrentiestrategie en concernstrategie*. Kluwer Bedrijfswetenschappen, Deventer, 1989.

Douma, S.; *Ondernemingsstrategie (2^e dr.)*. Kluwer Bedrijfswetenschappen, Deventer, 1996.

Emans, B.; *Interviewen - Techniek, theorie en training (3^e dr.)*. Wolters-Noordhoff, Groningen, 1990.

Feteris, M.W.C., Gimbrere, J.A. & Muijen, G.J. van; *Holdingsstructuren*. Kluwer, Deventer, 1991.

Goold, M., Campbell, A. & Alexander, M.; *Corporate Level Strategy: creating value in the multibusiness company*. John Wiley & Sons, New York, 1994.

Goold, M. & Campbell, A.; *Strategies and Styles: the role of the centre in managing diversified corporations*. Basil Blackwell, Oxford/New York, 1987.

Jägers, H.P.M. & Jansen, W.; *Het ontwerpen van effectieve organisaties*. Stenfert Kroese, Leiden, 1991.

Jägers, H.P.M. & Limvers, Ph.R. (red.); *Het spanningsveld tussen strategie, structuur en cultuur - symposium rond het afscheidscollege van prof.dr.Th.P.van Hoorn "Dilemma's tussen moeder en dochter"*. Stichting Instituut voor Bedrijfseconomie, Amsterdam, 1991.

Jagersma, P.K.; *Het management van multinationale ondernemingen: de concernstructuur*. Research Memorandum, Katholieke Universiteit Brabant, 1992.

Johnson, G. & Scholes, K.; *Exploring Corporate Strategy (4^e ed.)*. Prentice Hall Europe, 1997.

Kempen, P.M. & Keizer, J.A.; *Werkboek advieskunde*. Wolters Noordhoff, Groningen, 1996.

Kotler, Ph.; *Marketing Management – analysis, planning, implementation and control*. Prentice Hall, Englewood Cliffs, New Jersey (USA), 1994.

Kubr, M.; *Management Consulting (3^e ed.)*. International Labour Office, Genève, 1996.

- Leest, D.J.B. van der, Jong, G.R.A. de & Haaren, P.W.M. van; *Decentralisatie en personeelsmanagement - het dilemma tussen ondernemen en besturen*. Van Gorcum, Assen, 1997.
- Londen, H. van; *De waarde en waarden van concerns*. Van Gorcum, Assen, 1998.
- Londen, H. van; *Leiden en leren leiden*. Van Gorcum, Assen/Maastricht, 1990.
- Londen, H. van; *De mythe van de synergie - opstellen over concernorganisatie*. Horinga en de Koning, Den Haag, 1979.
- Londen, H. van; *Synergie en decentralisatie: opstellen over concernorganisatie*. Kluwer Bedrijfswetenschappen, Deventer, 1992.
- Luimes, W. & Spitholt, M.; *Ontvlechting van concernonderdelen*. TRENCH Reclame & Advies, Hengelo, 1994.
- Maathuis, G.S.D.; *Adviesprocessen en advieskwaliteit*. Eburon, Delft, 1995.
- Mintzberg, H.; *Structure in fives: designing effective organizations*. Prentice-Hall Inc., New Jersey, 1983
- Moerland, P.W.; *Corporate Governance: theorie en praktijk in internationaal perspectief*. Wolters-Noordhoff, Groningen, 1997
- Oijen, A.A.C.J. van; *Besturing door het hoofdkantoor en diversificatie*. Katholieke Universiteit Brabant, Tilburg, 1997
- Oijen, A.A.C.J. van & Dooms, E.; *Besturing van Business Units*. Research Memorandum, Katholieke Universiteit Brabant, Tilburg, 1997
- Porter, M.E.; *Competitive Strategy*. The Free Press, New York, 1980.
- Schein, E.; *Het organisatieadvies en de manager – de rol van procesconsultatie bij organisatie-ontwikkeling*. Samson Uitgeverij, Alphen aan de Rijn, 1973.
- Strikwerda, J. & Hest, M.M.J. van; *Ondernemingsbestuur in Nederland – voorwaarden voor groei*. Research Memorandum; Nolan, Norton & Co., 1998
- Treur, H.; *Centralisatie en decentralisatie bij de Nederlandse politie*. Rijksuniversiteit Groningen, Groningen, 1998.
- Verschuren, P. & Doorewaard, H.; *Het ontwerpen van een onderzoek*. Utrecht, Lemma, 1995.
- Vijverberg, A.M.M.; *Diagnosemodel voor het herontwerp van topstructuren*. Centrale Technische Dienst, Technische Universiteit Eindhoven, Eindhoven, 1995.
- Wijers, G.J.; *Horizontale synergie*. Van Gorcum, Assen, 1994.
- Wissema, J.G.; *Unit Management 2: Ondernemerschap en samenhang in de gedecentraliseerde onderneming (2^o dr.)*. Van Gorcum, Assen, 1996

Artikelen / publicaties

Bernhardt, W. & Witt, P.; Holding-Modelle und Holding-Moden. *Zeitschrift für Betriebswirtschaft*; vol. 65 nr 12, 1995

Bos, A., (interview met S. de Bree van DSM); Simon de Bree gelooft in synergetisch concernmodel. *ELAN*, nr 3, 1997.

Bosch, F.A.J. van den; De spanning tussen synergie en decentralisatie. *Holland Management Review*, nr 35, 1993.

Breul, M.; Wat is er nu zo belangrijk aan Corporate Governance? *Management & Literatuur*, vol. 5 nr 1, 1998.

Campbell, A., & Alexander, M.; What's wrong with strategy? *Harvard Business Review*, vol. 75 nr 6, 1997.

Collis, D. & Montgomery, C.; Concernvoordeel creëren: ga uit van de bedrijfsmiddelen; *Holland/Belgium Management Review*, nr 60, 1998.

Cowherd, D.M. & Luchs, R.H.; Linking Organization Structures and Processes to Business Strategy. *Long Range Planning*, vol. 21 nr 5, 1988.

Deussen, A. & Probst, G.J.B.; Holdingstrategie bei der VKT Holding AG - Starke Vernetzung als Problem und Chance zugleich. *IO Management Zeitschrift*, vol. 67 nr 5, 1998.

Deussen A. & Probst, G.J.B.; Holdingstrategie bei der VKT Holding AG - Lösung zum Beitrag aus io management 5/98. *IO Management Zeitschrift*, vol. 67 nr 6, 1998.

Douma, S. & Oijen, A.A.C.J. van; Strategische motieven voor het splitsen van concerns. *Maandblad voor Accountancy en Bedrijfseconomie*, mei 1999.

Goold, M.; Holdingstrategieën voor volgroeiende activiteiten. *Holland Management Review*, nr 50, 1996.

Goold, M.; Strategic Control in the decentralized firm. *Sloan Management Review*, vol. 32 nr 2, 1991.

Goold, M. & Campbell, A.; Taking stock of synergy: a framework for assessing how well linkages between businesses are working. *The Ashridge Strategic Management Centre*, July 1999.

Goold, M. & Campbell, A.; Desperately seeking synergy. *Harvard Business Review*, vol. 76 nr 5, 1998.

Goold, M., Campbell, A. & Alexander, M.; Corporate Strategy: the quest for parenting advantage. *Harvard Business Review*, vol. 73 nr 2, 1995.

Goold, M., Campbell, A. & Alexander, M.; Corporate Strategy and parenting theory. *Long Range Planning*, vol. 31 nr 2, 1998.

Goold, M., Campbell, A. & Luchs, K.; Strategies and Styles revisited: strategic planning and financial control. *Long Range Planning*, vol. 26 nr 5, 1993.

Goold, M., Campbell, A. & Luchs, K.; Strategies and Styles revisited: 'strategic control' - is it tenable? *Longe Range Planning*, vol 26 nr 6, 1993.

Goold, M. & Campbell, A.; Many best ways to make strategy. *Harvard Business Review*, November/December 1987.

Goold, M., Campbell, A. & Alexander, M.; De waarde van de moedermaatschappij. *Holland Management Review*, nr 41, 1994.

Jagersma, P.K.; Concernstructuren: theorie, praktijk en verklaring. *Maandblad voor Accountancy en Bedrijfseconomie*, April 1994.

Lierop, W. van; Corporate governance en organisatiestructuur in een click-cultuur. *Nijenrode Management Review*, nr 5, 1997.

Luimes, W. & Spitholt, M.G.M.; Synergie, bedrijfscultuur en verzelfstandiging van concernonderdelen. *Bedrijfskunde*, vol. 63 nr 4, 1994.

Oijen, A.A.C.J. van; De keuze van de besturingsstijl van het hoofdkantoor. *Tijdschrift voor Financieel Management*, mei 1998.

Oijen, A.A.C.J. van; Rollen van het hoofdkantoor in Nederlandse concerns. *Tijdschrift voor Corporate Finance*, zomer 1998.

Oijen, A.A.C.J. van & Douma, S.W.; Diversificatiestrategie, besturing door het hoofdkantoor en ondernemingsprestaties. *Maandblad voor Accountancy en Bedrijfseconomie*, December 1999.

Pasternack, B. & Viscio, A.; Concern zonder centrum: een nieuw model. *Holland/Belgium Management Review*, nr 62, 1998.

Porter, M.E.; From competitive advantage to corporate strategy. *Harvard Business Review*, vol. 65 nr 3, 1987.

Strikwerda, H.; Geen corporate governance zonder internal governance. *Nijenrode management review*, nr 3, 1997.

Vijverberg, A.M.M.; Diagnose model voor het herontwerp van topstructuren. *Holland Management Review*, nr 51, 1996.

Vijverberg, A.M.M.; Van hoofdkantoor tot management holding. *Scope*, nr 3, 1994.

Vizjak, A.; Exploiting your synergy potential: Promoting collaboration between Business Units. *Longe Range Planning*, vol. 27 nr 1, 1994.

Wijers, H.; De onontkoombare vraag naar horizontale synergie. *Holland Management Review*, nr. 41, 1994.

Young, D.; Headquarters Staff - Products of history or sources of distinctive skills? *Longe Range Planning*, vol. 26 nr 5, 1993.
