

MSOD\_616\_Milam\_Watson\_Environmental Scan

Environmental Scan, Lyon France

Carol Watson & Ron Milam

MSOD 616

Pepperdine University

The George L. Graziadio School of Business and Management

## **Doing business in Lyon**

Ron Milam and Carol Watson completed an environmental scan of Lyon France to understand how difficult it would be to run and conduct our businesses in Lyon. We used online resources and interviews to help shape our perspective. According to the Aderly.com website, Lyon is a very desirable place to do business. It appears that there are considerable services and support available with finding real estate, technology and office space. Depending on the business, a concern would be finding the skilled labor necessary. While the office space costs and labor wages are lower there was no information on availability of skilled labor in highly specialized areas despite the high unemployment and depending on the business needs. Additionally, the availability and price of housing would be a consideration for employees and relocation. Overall expenses are less in Lyon compared to Paris. For a family of four, Aderly estimates paying approximately \$4,000 in expenses<sup>1</sup>.

The availability of support services and vendors to support the business would also be a consideration. There does seem to be a push for additional creative services business and an aggressive support network built for those in the creative industries<sup>2</sup>. It appears easier to set up a business in Lyon if you are a Fortune 500 company or a company with at least 10 employees. If you meet this threshold, then you qualify for a wide range of support services from Aderly<sup>3</sup>. Considering the sole entrepreneur consulting and organizational development businesses Carol and Ron do not meet this requirement, it might be more difficult for us to benefit from the business development services in Lyon.

## **Living in Lyon**

Even if we did have access to the multitude of services Aderly provides, we believe it would still be a considerable transition to live in Lyon, France. While Aderly touts the quality of life in Lyon<sup>4</sup>, transitioning to live in a foreign country presents its own set of challenges<sup>5</sup>. According to Sakina Zerrel, the cost of living is significantly lower than Paris. She adds that the personal relationships are not casual as they are in the US but are very deep investments lasting a lifetime. While Aderly helps business recruits with immigration<sup>6</sup>, finding schools<sup>7</sup> and hospitality networks<sup>8</sup>, they may not have as many resources to deal with the stress of culture shock generated by cultural differences.

## **Verifying and Refuting Impressions**

Business:

Many of the areas we would be interested in verifying and refuting center around community, clusters and hubs for sole entrepreneurs in OD and Americans. According to Collete Asselin who lived and worked in France, they will be receptive and interested to learn from the US yet we must be interested in who they are and in their culture.

What is the level of community? Is it as tight and close knit as it claims to be?

What about a sole entrepreneur what services are available? Are there business and social networks available to build business and access resources? Searching out support networks for similar businesses and inquiring about the demand for services would be a way to refute. Asking about additional services for sole entrepreneurs like shared work-spaces, technology a network of vendors and suppliers would be required.

Sakina Zerrel comments that patience will be required with the overall system of getting

things done as it is slower with limited hours of service. Additionally, people of Lyon work to live and enjoy their free time which is just as important as work.

Some additional areas to refute and verify are, what types of business thrive and what kinds would struggle in Lyon? Investigating through research and inquiring if there is an over supply of certain industries would verify this concern. What is the demand for OD consultants and are there any barriers to doing business with Americans? We could inquire about any industry associations in the area to engage with.

#### Lifestyle and social experience

What is the real cost of living, how much do you need to make to live well? How are the schools similar or different, family lifestyles? We could observe, talk to and tour the schools and families that we meet. We can collect news articles on school events and activities for families.

What is the cultural and racial diversity there? There is a significant population of Moroccan, Tunisian, Martinique, Gadeloupe and Algerians in Lyon that are integrated into the French culture. There is a higher rate of unemployment with the ethnic/racial cultures according to Sakina Zerrel. We can ask observe the diversity and ask those that may be ethnically/racially diverse what it is like to live in Lyon and what their experiences have been and feelings of inclusion.

## References:

- <sup>1</sup> Lyon Cost of Living: <http://www.aderly.com/lyon-attractivite-business/cost-of-living-in-lyon,p,27,EN.jsp>
- <sup>2</sup> Creative Industries Sector: <http://www.business.greaterlyon.com/creative-industries-sectors-lyon-france-europe.99.0.html?&L=1>
- <sup>3</sup> Aderly Services: <http://www.aderly.com/services-aderly/index,p,100003,EN.jsp>
- <sup>4</sup> Quality of Life: <http://www.aderly.com/evenement-culturel/world-heritage-unesco-site-lyon,p,40,EN.jsp>
- <sup>5</sup> Adler, N. (2009) International Dimensions of Organizational Behavior. Chapter 10: Managing Cross-Cultural Transitions: Moving Abroad and Coming Back Home.
- <sup>6</sup> Immigration Procedures: <http://www.aderly.com/business-impatriation-france/impatriation-france-procedures-guide,p,36,EN.jsp>
- <sup>7</sup> International Schools: <http://www.aderly.com/formation-bilingue-france/internationalbilingual-school-france,p,35,EN.jsp>
- <sup>8</sup> Hospitality Networks: <http://www.aderly.com/assistance-hospitality-france-europe/hospitality-network-help-france-europe,p,39,EN.jsp>

## Interviews:

Collete Asselin, Former head of Global Human Resources of Guess, worked in France

Sakina Zerrel, former Lyon, France resident, of Algerian ethnicity currently living in California