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The number of agencies flying the AXA banner hits three thousand in France. A new organization along regional lines results in the creation of ten regions and a shared information system. Drouot, Mutuelles Unies and Présence are legally combined.

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With AXA Hearts in Action, volunteering in the community becomes an integral part of the Group's identity. AXA crosses the Atlantic to become a majority partner in Equitable, a life insurance institution in the United States.

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Claude Bébéar announces his Ambition 2001: AXA will be number one by the next century. The first global advertising campaign is launched. The AXA seminar, or corporate meeting as it is called, is held in China. Objective: develop business in Asia.

Apprenticeship

A time of challenges



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The old world was exploding. Seen from Europe, all of the frontiers and certainties inherited from the end of World War II had dissolved. The Cold War was over and with it the Soviet Bloc, to be replaced by trouble in the Balkans, wars in the Persian Gulf and terrorist bombings in the major cities of Europe. China seemed to be getting closer by the day, and had opened its doors—albeit slightly—to trade with the West. Europe continued on its path of construction and insurance directives went into effect in 1994, signaling the implementation of a single market for this product.

This was a difficult time for France, which had entered into a recession in 1993. That same year, further privatization was in the works for the insurance industry. In 1994, UAP joined the private sector, to be followed two years later by AGF. The so-called Juppé* Plan, a new attempt to reform social security and the retirement pension system in France, was abandoned following an intense and prolonged strike at the end of 1995.

**Alain Juppé was France's Prime Minister from 1995 to 1997.
Previous double page: Nanjing Road at night. Shanghai, China, in 1994.*



AXA existed, but in an eventful and chaotic way. It was constantly under construction and the whole edifice looked something like a bazaar. Well, like a French bazaar, since there were not too many foreign affiliates at the time. The insurance businesses had not yet merged: the four thousand agents looked at one another with hostility; those from Drouot were particularly agitated, complaining that they no longer knew who their masters or even their contacts were supposed to be. In cases where the structures were already in place, the arrival of AGP disturbed the order of things. For some, Claude Bébéar was the man to get. They were exasperated by his nerve and secretly hoped that his group would not last until the end of the year—that it had bitten off more than it could chew.

But for the time being, Bébéar had turned on the charm and was converting new “Axiens” thanks to his charisma and his project of conquering the world (how many people went into meetings unhappy and hostile, only to leave ready to do anything for the privilege of being part of the AXA adventure!). In the meantime, Françoise Colloc’h was busy rolling out the communication and human resource tools that would be needed after these conquests had been made to pacify the newcomers and disseminate a shared culture. And Claude Tendil had rolled up his sleeves to get down to the business of putting it all together. He merged the four

Multiplying the centers of energy

“Merging four companies and then immediately breaking them up into ten regions was a brilliant stroke because it created as many centers of mobilization and energy. And we sure needed energy to combine the portfolios of agents who had been rivals the day before and who had woken up to discover that they would be selling the same products. Each regional CEO also took responsibility for a transversal function. In my case, I was head of the southeast and in charge of distribution.

Every company had a different agents’ union, and they were the ones that had the hardest time merging. I gave myself a year to make peace with the agents and among them. A year later, we celebrated the existence of just one union*, called InterAXA, that shared our corporate values.”

François Pierson

*This union of tied agents was called InterAXA before being renamed Réussir in June 2000 following the merger with Arcades, UAP’s tied agents’ union.

Exterior view of AGP’s headquarters in Paris (Assurances du Groupe de Paris, 1989).



companies (Mutuelles Unies, Drouot, Présence and AGP) and then immediately recombined the newly formed whole into ten regions.

1990 was the real year of birth for AXA Assurances, with a difficult delivery of shared IT processes, the launch of a shared product range for one and all and greater visibility, since three thousand agencies were already sporting the brand colors. The life insurance segment, which was flanked by an embryonic version of direct selling insurance, moved to the Franklin Tower in the La Défense business district. It took the name Alpha Assurances in 1990, *alpha* being the first letter of the Greek alphabet and the star closest to the Earth. The following year, direct insurance became autonomous, got a new name (Direct Assurance), and moved with its staff of eighty to Nanterre, a Parisian suburb, determined to stay on the cutting edge and design products for the new millennium. The company had already banned paper, which was downright revolutionary in the insurance business, and all transactions were done by computer. Direct Assurance prided itself on its ability to handle a claim in thirty minutes from the time of the call from its policyholder.

The legal restructuring that took place in October of 1990 completed the unification of the insurance companies via a series of transactions that culminated in the creation of AXA SA and of FINAXA, the latter serving as the new financial holding company.

*Top: an AXA Assurances agency in France in 1989. The entire network of agents adopted the AXA brand identity that year.
Bottom: AXA moved to a new IT system to accompany the transformation of its organizational structure.*

So AXA was regionalized, decentralized and, above all, settled down—especially the formerly restless agents. But did it have a soul? There is no council of judgement that can answer this question, but there was some concern over how well people knew and understood its culture. A steam roller approach was put in place to make sure that everyone got the gist of the message. Four strategic principles were identified, and they remain relevant today: 1) you will stick to your core business; 2) you will make sure you attend to the needs of your key stakeholders (policyholders, shareholders, employees, distributors, the community); 3) you will maintain your independence by ensuring that you are profitable enough to produce a satisfactory return on capital invested and rank among the biggest insurers; 4) you will practice a policy of decentralization to maintain AXA's agility and energy. The supreme principle is leadership, which has been AXA's major ambition since 1991 and was made explicit in the activity report published in 1992: "Following a well-defined strategy, respecting a set of guiding principles, strengthened by our adherence to shared values, we, the people of AXA, have a common ambition: We will work together to attain leadership in our business."

There were seven values: a good exercise for improving recall, but at the risk of turning into a catalogue: *loyalty; team spirit; pride* in our profession, which enables people to take risks and drives today's economy; *the ambition* to be among those who get things

In-house poster displaying AXA's seven values (1998).



A clear commitment to the community

“If I work in a particular country, it is in my interest that it be healthy. I am a citizen and my company is a corporate citizen. I have an obligation to participate in society as a corporate member, and I have a moral duty to do something for the community that is not motivated by self-interest.”

Claude Bébéar

The birth of AXA Hearts in Action

“We asked nearly six thousand employees if they wanted AXA to invest in causes related to our core business, such as the fight against substance abuse and disability and if, possibly, they might be willing to make a personal investment. Our idea at the time was to create a company that could finance such initiatives. Normally, volunteer work involved a private action carried out in isolation, not in connection with the workplace. In all, 95 percent of staff surveyed said that AXA should invest, and half of them said they too wanted to make a direct and voluntary contribution. We decided to set up an association for AXA employees who wanted to devote some of their free time to initiatives selected beforehand. And that’s how AXA Hearts in Action took shape and quickly became a source of pride for everyone at AXA. Volunteer work erases hierarchy and transcends existing codes and attitudes.”

Françoise Colloc’h

done in the general interest; the *imagination* to anticipate changes in the world around us; the *pragmatism* to grasp situations as they are; *commitment* to being at the service of our customers.

More than the sum of these seven values, it was AXA Hearts in Action that played an important role in creating a bond among the men and women of the AXA Group. Since 1991, the various actions carried out with the aim of helping others have been grouped under this name. Employees at all levels in the organization are encouraged to offer their time to lend a hand to people in trouble and, in so doing, decrease the level of injustice in the world at least a little.

Despite the American dream of Claude Bébéar, AXA’s culture remained decidedly French. The group did have a dozen or so foreign affiliates and was working hard to combine the companies acquired in the Compagnie du Midi deal with those already in the AXA fold, notably in Belgium (with four different companies), in Luxembourg, in Canada and in Spain. It was also working to rebrand the Italian and UK subsidiaries. An international department was created to carry out this huge task, spearheaded by Jean-Claude Damerval.

The first attempt in America—to gain control of Farmers—was not a success, but it opened the door to another acquisition that nobody would have bet a penny on. For AXA had taken steps to make a name for itself in America and was authorized to acquire a local company. More importantly, AXA’s management was beginning to



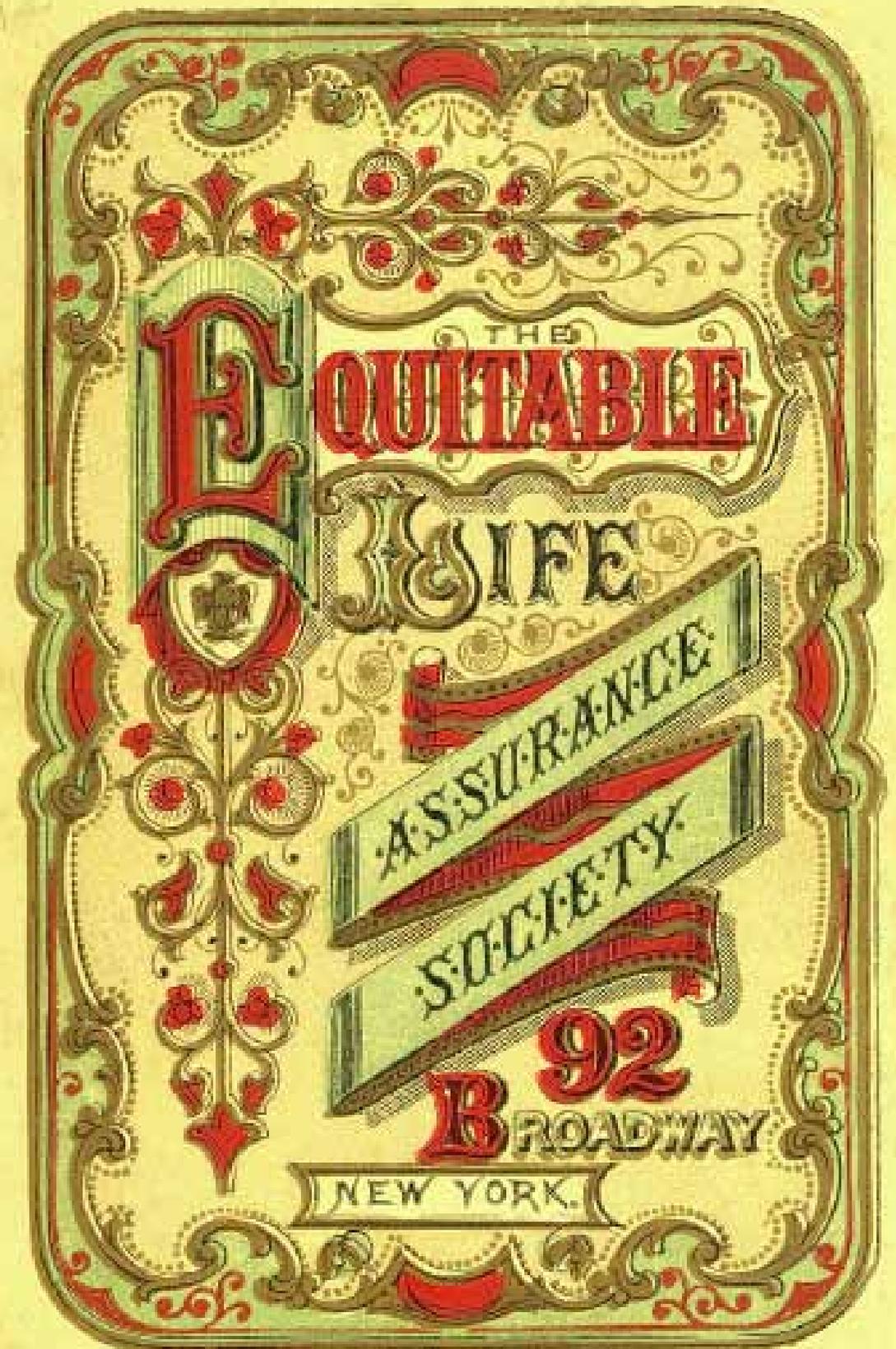
The first AXA Hearts in Action logo (1991).



understand how the US insurance market worked and the latter saw AXA as a credible partner looking for an acquisition. That's when Claude Bébéar learned that Equitable was searching for a partner. After having been the first global life insurance company at the end of the nineteenth century and having invented group insurance, the prestigious company was in a bad way. It was seeking a solution that would entail demutualization but that would beef up its equity by getting several investors on board. This tactic failed miserably, though. AXA then offered to be the sole investor. In February of 1992, the agreement was symbolically sealed on the island of Saint Martin in the Antilles, between Europe and the United States, during a seminar that would soon come to be called the Corporate Meeting. As a result, more than half of AXA's revenues were generated abroad.

Going forward, the mantra at AXA was "think global and act local." While the approach to clients would remain different depending on the local market, accountability needed to be placed in the field. The "everything but" formula stressed that the Group was decentralized except for the following key functions: global strategy, financial structure and use of equity capital, management of executives, philosophy of human resources, use of the brand, and information systems architecture. AXA had become a multinational corporation whose development was organized at the planetary

*Above: press insert announcing AXA's admission to the NYSE (New York Stock Exchange), on June 24, 1996.
Opposite: one of Equitable's first advertising brochures, late 19th century.*



Kronheim & Co., London.

Culture shock

“With the arrival of Equitable in 1992, we went from France to the world. The Equitable culture was light years from our own: they were focused on life insurance and third party asset management. In addition, they were very American in their outlook. We nearly had an emergency on our hands when we said that we had not at all planned on including spouses at the Saint Martin seminar. Everything went well in the end, but we were very aware of a new challenge: lead our American friends—without being too pushy—towards a more original and less conventional culture. We really got a sense of the strong cultural content of our business and of the absolute need to take local culture into account, especially when the United States rejected our global advertising campaign because the message (Go ahead, you can rely on us) meant absolutely nothing in North America.”

Françoise Colloc’h

level. For this reason, it was necessary to concentrate resources, especially financial ones.

As the Group got bigger from East to West, the twin issues of human resources and management appeared to be either the key to success or the weak link, depending on whether one was an optimist or a pessimist. When an employee opinion survey conducted in 1993 with the survey research institute Sofres revealed that AXA employees thought their bosses were pretty mediocre, Françoise Colloc’h realized this was an unacceptable situation that could jeopardize AXA’s global strategy and objectives. So she decided that employees needed to be regularly surveyed to see which way the wind was blowing, respond to valid criticisms and overcome shortfalls. This was the beginning of Scope. The first concrete measure that came out of Scope was the decision that all Group managers, regardless of their level of responsibility, would have to complete a training program in the specific art of management. The seminar was held at the Chateau Cantenac-Brown. The French press had a field day with this news, evoking a certain form of indoctrination and even brainwashing. The executive seminars, where everyone wore the AXA colors and the AXA pin on the lapel, did nothing to dispel this reputation of being a sect, directed by the grand leader Bébéar and animated by the grand priestess Françoise Colloc’h.



Cover of a special issue of AXA Tribune, the company’s in-house magazine at the time, presenting the results of the internal satisfaction survey conducted in 1996.

What's your ambition for AXA?

I hope to see more and better mobilization for AXA Hearts in Action. It is important to offer a range of actions that appeal to everyone, because we want to

bring together people of all ages, from all walks of life, doing all kinds of jobs.

Some people are more comfortable with traditional actions, often one-off, benefiting disabled children for example. Others want to provide tutoring or mentoring services, which require a more steady and long-term commitment.

Armelle Soymié

I hope to be able to continue to

break the codes

because that is what I have been able to do here for eighteen years. And also, from a purely marketing perspective, refine client segmentation and define preference by type of client to

build brand differentiation.

Olivier Mariée



In 1994, Claude Bébéar embarked on a world tour. He presented AXA's Ambition for 2001 at every company—no matter what its size, its age or its importance. The equation was terribly simple: AXA would be number one in 2001 thanks to the improved quality of its client service, which would lead to revenue growth and higher earnings.

In support of this ambition, the first global corporate ad campaign was launched simultaneously in Europe, North America and Asia. It kicked off in October 1994 in the business and financial press. "Go ahead. You can rely on us" proclaimed AXA in red and black, presenting the Group as the world's fourth largest asset manager and the twelfth largest insurance group in the world, with eleven million clients. The next year would be the year of Asia Pacific thanks to the agreement forged with National Mutual Life Association, the second largest life insurer in Australia, New Zealand and Hong Kong, in which AXA invested a billion Australian dollars for a 40 percent stake, which rose to 51 percent after the stock was floated, and the joint venture in South Korea with Dongbu, a major life insurer.

This gave AXA a presence in 23 countries worldwide. It was also the year that its stock price rose by 33.4 percent on the Paris Bourse.

Above: inaugural speech by Claude Bébéar in 1994 to present the Ambition 2001 program.

Opposite: front of a two-sided advertisement (back shown on overleaf). First AXA's international ad campaign: "Go ahead. You can rely on us." (1994)



Allez-y nous nous engageons



L'expérience mène à la perfection, dit le proverbe. Mais la perfection existe-t-elle ? C'est bien pour cela que malgré l'importance de ce chiffre, qui fait de nous l'un des leaders de l'assurance mondiale, nous ne cessons de réfléchir à de nouveaux moyens pour mieux servir nos clients dans 16 pays sur 3 continents.

Mieux servir nos clients cela veut dire, pour les 50 000 collaborateurs du Groupe AXA, faire preuve de plus d'imagination dans l'anticipation des risques et les solutions proposées. Cela veut dire plus de rigueur et une recherche d'innovation permanente. Cela veut dire des contrats plus clairs, des délais plus courts.

Nous savons que les clients ont le choix. Nous savons qu'un meilleur service est un argument déterminant. Vous pouvez donc être sûr que nous ne parlons pas à la légère quand nous disons : "Allez-y. Nous nous engageons".

Le Groupe AXA est présent en : Allemagne, Belgique, Canada, Espagne, Etats-Unis, France, Hong Kong, Italie, Japon, Luxembourg, Malaisie, Mexique, Pays-Bas, Portugal, Royaume-Uni, Singapour.

AXA

ASSURANCES ET PLACEMENTS

A unifying vision
 "When I joined AXA Hong Kong in 1994, a complete newcomer from the United Kingdom, the ambiance was a bit tense because the previous managing director had slammed the door on his way out and taken a number of key executives and a thousand salespeople with him.

So first I had to calm things down and build a unifying vision for the future. In my view, AXA was less of a global group then than it is now, but it was one of the only groups that were doing mergers and acquisitions. It was above all an insurance company with a truly global brand.

I took part in the AXA Manager training program organized by Françoise Colloc'h, and this was a decisive moment: it was at this time that I truly felt that I belonged to AXA and I understood its spirit and authenticity. Then I ran an AXA Managers seminar for new arrivals from UAP, giving back what I had received. I am a good example of the kind of diversity that reigns at AXA: I was born in Africa; I have lived in England, in Hong Kong, in Japan, and I am now starting a new adventure in the United States. It doesn't matter where you're from; what matters is what you do."

Mark Pearson

1994

To the tune of the seminars

The question of exactly how to make inroads into China was answered by 180 people in May of 1994. Since the Orient Express, AXA had changed planets, adopting bilingualism—Equitable *oblige*—and welcoming participants hailing from fifteen different countries or so. Wearing green and beige from head to toe, including the backpack, the explorers of China began their journey in Hong Kong. They discovered the burgeoning region of Shenzhen, climbed to the top of the Celestial Peak to admire the sunset, and then passed through Beijing before spending the night camping on the Great Wall of China, lit up by stars and fireworks: an incredible privilege and an unforgettable souvenir that eclipsed the work meetings and created an indelible collective memory. Meanwhile, at the very same time, Beijing had agreed to allow AXA to open a representative office, and the investment bank DLJ (Donaldson Lufkin & Jenrette), a subsidiary of Equitable, concluded a deal with the Chinese government for 600 million dollars. AXA had left its first footprints on the Celestial Empire.

