

# Constructive Interculturality

## *Ideas for cooperation in international organizations such as 'Alleo'*

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*This article is the shorten version of a study done by Professor Christoph Barmeyer and Professor Eric Davoine on how two international train companies, Deutsche Bahn (DB) and the Société Nationale de Chemins de fer Français (SNCF) created the highly successful joint-venture Alleo.*

Intercultural Management is about dealing with cultural differences in organizations and their impact on the labor and management behavior. The focus is on intercultural situations, such as communication, cooperation processes between departments and hierarchical levels, as well as indoors and external relations of organizations. Many of these intercultural interaction situations are characterized as problematic: expectations and targets are not met, leading often to personal frustrations and negative financial results.

Using a case study of Alleo GmbH, a joint venture between Deutsche Bahn and SNCF, we wish to show how culturally and institutionally different systems and labor practices can be interculturally merged. In addition we have examined the success factors that promote intercultural organizational learning.

### **Alleo — a bi-cultural organization**

Based on the strategic objectives of the German DB and the French SNCF, the joint-venture Alleo GmbH was founded in 2007 to offer high-speed rail connections for passengers between Germany and France. The two organizations share all



costs and revenues equally, mirroring the same strategic structure of the German-French TV station 'ARTE'. It is clear from the beginning that the two systems require some harmonization and standardization, done through mutual negotiations as well as learning adaption processes.

Alleo is not explicitly a market brand, but is an indirect result of DB and SNCF, TGV and ICE.

— The name refer to the highly symbolic cooperation of the joint-venture. "All" are the first three letters of 'alliance' as well as the French word "Allemagne". Not to forget the English expression 'all together', which refers to the highly symbolic cooperation of Europe's largest train companies.

— 'eo' comes from Latin and means 'I go', expressing dynamism and progress.

### **Theoretical Framework**

Internationally active organizations find themselves in a continuous process of searching for ideas, solutions, decisions and goal achievements. Not only the different institutional and cultural systems and contexts must be considered, but also cultural expectations, perspectives, beliefs and skills of the specialists and managers.

All employees, whether working alone or in teams, will consciously or unconsciously seek a constant balance and compensation for different positions. Implied is that there are unspoken,

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established “successful” strategies that will prevail. That each culture believes it has the “right way”, intercultural collaboration is made more difficult.

One way to overcome this is to examine the findings of intercultural management research. Brannen and Salk did an empirical study on German-Japanese joint-ventures, and concluded that “when people of different cultural backgrounds interact, a recombination and modification of cultural traits create a ‘new negotiated’ culture. What is important is not simple what is ‘transferred’, but what has been recreated or agreed upon. The results and consequences of intercultural interactions can not be predicted or determined, but the continuous communication, i.e dialectic learning and knowledge acquisition, results in a new culture.”

Constructive intercultural management makes innovation relevant for both groups. This means that cultural differences in intercultural processes are accepted; they are not viewed as taboos or ethnocentric, rather as a potential enhancement for working processes and results.

## Results

To carry out cross-border rail traffic, processes and procedures are newly worked out. Specialists and management personnel involved in the joint-venture stress that intensive dialogues are important, as well as the partner’s attitude to-

ward issues and problems: “We talk a lot with one another. In my team, we have regular discussions every two weeks. Additionally, I have one-to-one talks once a week. When we sit down together, the focus is on what each cooperation partner is doing. This is a sort of benchmarking and best practices.”

At the same time it becomes clear that a reciprocal intercultural negotiation between strong and equal partners is a tough process. “The pattern is quite clear when you want to reach something, there’s always a give and take. When we want something from our SNCF partner, then there will be a counter-claim: ‘Look, we have something on our side that needs to be changed.’”

What is interesting is how complex the negotiation process is, due to the size and bureaucracy of SNCF and DB. “Usually a partner makes a proposal and we discuss it. When the proposal is made in their own organization, it encounters resistance. We ask ourselves then: how will we be able to find a solution.”

Collective intercultural learning takes on a special role in the development of new solutions and work practices. Again and again, discovering the other person’s methods and solutions is in the foreground of the learning process as well as the subsequent acceptance and integration, often through modification and adaptation, in one’s own working process. This means adaptation learning (single-loop) as well as reflexive learning (double-loop).

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### Success factors for organizational intercultural learning

Numerous factors have had an effect on Alleo as a learning, bi-national interface company with newly negotiated labor practices and products. From the many possible factors, we have found seven that have continuously contributed to the success of an international joint-venture. First of all, balance and reciprocity play a decisive role on the strategic and operational levels. Another important factor is the interface employee, who is often bicultural, such as the Saarland or Lorraine employee. They make sure that culturally sensitive decisions are carefully carried out. What is also crucial is high motivation, i.e. a willingness to make the joint venture work. Another point to consider is to have personnel who possess multiple language skills, which leads to less misunderstandings. Furthermore, intercultural competence needs to be developed so that cultural differences can be quickly and objectively recognized. And lastly, an established institutionalization of bi-cultural cooperation contributes immensely to an effective working group.

Success factor	Effect and Use
Balance and reciprocity: binomial	<ul style="list-style-type: none"> <li>— Supportative of symmetry of interests through expressed “diplomatic” activities</li> <li>— Common use of central resources and knowledge through recourse to the respective (national) social network</li> <li>— Leads to steering of trust-building and intercultural work in the Alleo organization</li> </ul>
Interface employee	<ul style="list-style-type: none"> <li>— Communication function through the intake of different views</li> <li>— Careful preparation of cultural sensitive decisions</li> </ul>
Motivation	<ul style="list-style-type: none"> <li>— Higher commitment</li> <li>— Inner drive and energy to find new solutions</li> </ul>
Multiple language skills	<ul style="list-style-type: none"> <li>— Internalizing different perspectives through knowledge and understanding of different social systems</li> <li>— Working efficiently</li> <li>— Reduction of language misunderstandings</li> </ul>
Intercultural competence	<ul style="list-style-type: none"> <li>— Appropriate behavior through cognitive and emotional understanding of the other culture</li> </ul>
Intercultural development of personnel	<ul style="list-style-type: none"> <li>— Developed intercultural competence</li> <li>— Increased repertoire of knowledge and behavior</li> <li>— Mutual trust-building</li> </ul>
Institutionalization	<ul style="list-style-type: none"> <li>— Improved and established common accepted procedures and work methods: “best practices”</li> </ul>

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