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Awareness in Intercultural Cooperation: Studies of culture and group dynamics in international joint venture

The research in this dissertation was motivated by Hofstede's theory that national cultural differences are not disappearing but they sustain over time. In fact he suggests, that these differences may become one of the most crucial problems for the multinational organizing.

Due to cultural misfit, the initial empirical researches indicated that companies desire for full control when entering partnership in certain countries. However, this is not easily achieved and therefore cooperation among different companies has become the sensible alternative. Further empirical research showed that globalization process has been a force behind improved cooperation and working toward forming crossvergence, which is developed by the blending of different cultures and management ideologies. In addition dynamics among individuals from diverse national and organizational cultures is also one of the main contributors to the process of crossvergence. Therefore group dynamics is given a considerable attention in this dissertation.

In group dynamics theory there are two important concepts relating to the group interaction, namely work activity and assumption activity. A systematic awareness of assumption activities can contribute to better understanding of the unconscious emotions that can invalidate efforts toward cooperation. Through considering group dynamics, cultural differences can be understood more clearly. It is through determined awareness of others and themselves that partners can realize the benefits of cooperation and work out their cultural differences to build a common organizational culture, which will become the foundation for a local working culture.

The level of awareness is interrelated with communication, learning and empathy within a group. Making use of these components instigates that group members become more aware of themselves and the others. However, the research has shown that this is not easily achieved. More time and patience have to be invested than what companies normally do in order that group members become aware of cultural differences, accept them and turn them into productive cooperation.

Key words: International joint ventures, Cultural awareness, Group dynamics, Intercultural competence.