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# Integration, diversity and mutual learning in intra-Nordic management

by

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Project proposal

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**The problem**

For a long time (c.f. Kitching 1967) it has been known that it is difficult to realise the integration benefits often used as arguments to justify acquisitions. Still mergers and alliances (c.f. Gomes-Casseres (1996)) are seen as the main vehicle for establishing a viable presence in other countries. During the last few years acquisitions across Nordic borders have reached record frequencies. Also in these case difficulties have been observed. It seems like a policy of establishing a “domestic” Nordic organisation is being implemented in several major companies.

Often the difficulties to realise the intended benefits have been explained by “cultural” differences. We prefer the more concrete concept “ways-of-working” which is closer to the practices of the specific company.

Better management across-borders should be based in more detailed knowledge of how integration and mutual learning are achieved in the integrating efforts after the merger and then in the everyday management of business . It is likely that the integration process in each case is unique (Johanson & Vahlne 1977) resulting in little transferable knowledge between processes due to the presence of tacit knowledge and specific circumstances. In such a case it is desirable to learn from the own experience as efficiently as possible. This could be achieved by supporting moments of reflection on the process in the process. Such reflection can be supported by the use of video recordings in a manner tested for research purposes by the applicant in several organisations since the first recording in 1993.

<u>We want to examine - critically and in detail - core communication and decision processes, while holding the variable of culture (in general) relatively constant by studying management across the Nordic borders. Hereby we expect to improve our knowledge of integration processes across “ways-of-working”. This means that we want to develop theory on co-operative management among organisational units with differing practices</u>. Such practices are difficult to change partly because they usually constitute the basis on which member competence is built. Removing core practices, means switching to another logic. This will threaten member competence and evoke emotions not normally open to (rational) arguments. The complexity of such situations will generate a use of stereotyping to cope. Stereotypes will generate personal conflict which will reduce creativity and, thus, the likelihood of finding ways out of impasses. Given this general description of the communication problems that may slow down integration and mutual learning it is evident that great care must be afforded to the design of observation and analysis methods. A considerable part of this proposal is devoted to an argument on how the field work will be conducted and why. It should be pointed out that there will also be positive “flow” processes to observe and these will allow coding of situations where things go well.

By doing this study in a joint Nordic project we can benefit from applying different perspectives (Danish, Finnish, Norwegian, Swedish) in the analysis of the empirical data and we can build a solid basis for further Nordic research on management across borders. The video technique which has been developed over the last 5 years of related research (c.f. Jönsson 1996, 1998) makes it possible also to elicit participants' interpretations of situations, where, e.g., Norwegians and Swedes interact. Also one should not underestimate the network effects of Nordic management researchers working together on a major project. From a Nordic basis further studies of other international constellations can be added for comparative purposes. The project will be open to such additions as soon as it is established, and can, then, serve as a knowledge centre for across border management processes.

**Background**

There are no doubt fashions in management technologies. In the 1960s "divisionalisation" was seen as the solution to most managerial problems in large companies, later it was Japanese methods (articulated by Womack et al (1990) as "lean production"). Now we are in a period of "global knowledge management" where competence, cultures and leadership are in focus, but the appealing label may not yet have been found. In the meantime the public sector has been thoroughly (more than is generally recognised) reformed on the basis of norms derived from the general management discourse. Labels like Thathcerism, Reaganism, and "New Public Management" have been used.

At the same time as these fashions have come and passed there has been an undertone of nationalism in all the rhetoric about "globalisation". An older generation remembers the sensation Servan-Schribers "Le defi Americaine" caused in the beginning of the 1960s. It was indeed from the USA that the management challenge came, since the large corporation was born there (Chandler 1977), but later the Japanese challenge to the American domination had to be explained. This was no easy task for American academics because the best management education, research, and general management knowledge was American. The Japanese must be cheating in some way! Cultural dimensions (like "collectivism") were used to explain something that was not possible to explain on the basis of "universal" normative management models. It is of some significance that Pascale & Athos (1982) called their book "The Art of Japanese Management". From the early 1990s a flood of literature emerged characterising national or regional management styles (Calori & deWoot 1994, Lawrence 1996, Waterman 1994, Sai 1995, Jönsson 1995). Notably, when the European Community established the inner market the issue of a European management style was raised. Calori & deWoot (1994, p. 49) describe the common characteristics

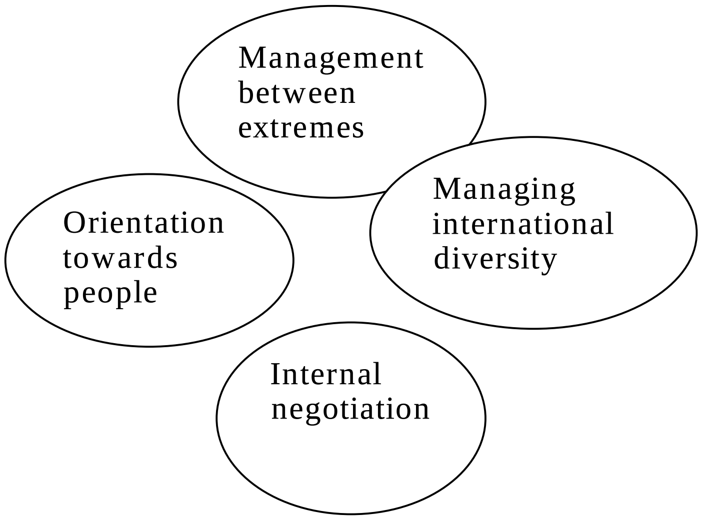



Figure 1: The ingredients of European Management according to Calori & deWoot 1994.

These characteristics were based on interviews with managers in large corporations where focus was on differences in relation to Japanese and American styles. It should be noted that the largest group of respondents were of the opinion that from a current situation of diversity among managerial styles in Europe there will be a development towards a common European style (rather than towards some universal standard). It is easy to react cynically to  such “self-descriptions”; most management communities could be expected to describe themselves as “people-oriented”. However, also authors are obliged to use simplistic labels in describing something that is not very simple. It is difficult to put words on phenomena that are only partly grasped when trying to describe them to readers who are “outsiders”. This problem of “putting into words” complex phenomena that are only partly grasped is a theme to come back to in the following.

There obviously is a large market for semi-popular literature on managerial style and globalisation strategies. It is interesting that “cultural differences” seem to have become more visible in Europe as a consequence of European integration. This can be explained (Beckérus & Edström 1995, Jönsson 1995) by the fact that, for Swedish firms, the governance structure used to be designed on a country basis (the French subsidiary, the German subsidiary etc.), while in the integrated Europe that structure should be designed on a business area basis (the washing machine business, the stove business etc). This latter structure would mean that Italian managers were made responsible for the washing machine business also in Sweden. Consequently, Swedes came into direct and concrete contact with Italian managers in a way that was unusual earlier. In this way "cultural differences" have become visible and problematic.

There is also a popular literature on competition between nations. Such competition tends to be conducted in terms of negotiated trade agreements, with USA and Japan as leading actors. Reich (1991) argues that the competitiveness of nations is based in their ability to do valuable work and points to "symbolic-analytic" work as the successful type in comparison with "routine production" (declining since several decades) and "in-person services" (growing but hampered by customers with low purchasing power). Such work can be done across borders. Porter (1990) analyses the competition between nations in terms of a "diamond" constituted of "firm strategy, structure, rivalry", "factor conditions", "demand conditions", and "supporting industries". Strong domestic competition generates a skilled labour force and inventive suppliers (e.g. of machinery) in supporting industries that, when the domestic market is saturated, comes in handy in aggressive internationalisation. The problem with this model is that it is so open that it is useful to explain almost any developments after the fact, but of little help in predicting them. These and similar American studies seem to assume a fairly big domestic market as the spring board for internationalisation. For Nordic companies the domestic market has always been small and internationalisation strategies have been conceived from a different platform. As mentioned, there seems to be a tendency to look at the Nordic market as domestic. Some companies, especially ASEA, started its internationalisation with acquisitions in the Nordic countries. Bank and insurance companies are paying attention to the Nordic "home" market at the moment. An analytic approach to the study of competitive strategies would focus on <u>characteristics</u> of those strategies and of <u>the context of implementation</u> as the determining factors. Strategic intent will not be ignored in this study but focus is on <u>the processes</u> of implementation and learning from experience.

In the following we will develop the argument for a choice of field methods to be applied in this study of processes.

**Earlier research.**

Argument 1. The project needs a multi-discipliscplinary awareness.

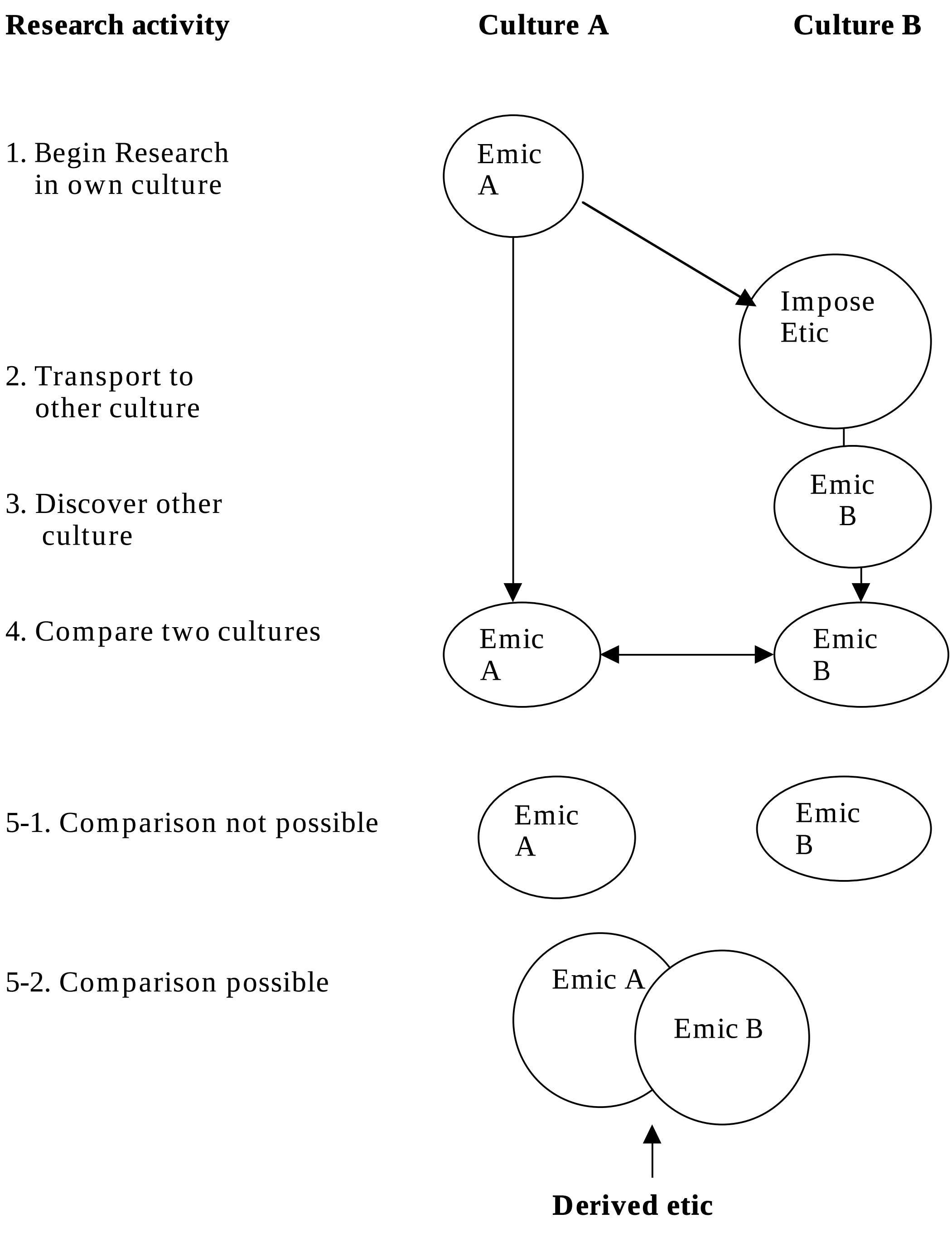
Sociology:

Organisational research into cultural aspects of management cannot avoid the landmark study by Hofstede (1980) of the work-related values held by employees of the multinational company IBM in different countries. A questionnaire study with a very large number of respondents carried out twice (1968 and 1972) was used to calculate standardised scores in 4 dimensions (Power distance, Uncertainty Avoidance, Individualism, Masculinity). The Scandinavian countries clustered together with Holland scoring low on all dimensions except Individualism where they were moderately high. It should be noted that Hofstede's study was about work-related values and not about management practices. These clusters of survey measures have since then been expanded upon (e.g. Trompenaars 1993, Schneider & Barsoux 1997)) and referred to in explanations of difficulties in management across cultures. However, when focus is on how professionals construct solution together in meetings these values may at best provide background information.

Psychology:

There is a large literature on cross-cultural psychology (for an introduction see Segall et al 1990) with a landmark six-volume Handbook of Cross-Cultural Psychology (Triandis et al 1980). The basic problem in cross-cultural research is, simply, what is measured in different cultures. This is illustrated by the anthropologist concepts "etic" and "emic" where an "etic" viewpoint means that a particular system is studied from "the outside", while an "emic" viewpoint means that the study is done from within the system.. Questionnaires designed in the USA will be "emic" to that country, but questions will seem quite foreign in other countries even if the translation to the other language is impeccable. The measures based on the same questionnaire will have different meanings in the different countries.

Segall et al 1990 illustrate problem of operationalising “emics” and “etics” (Figure 3-1 p. 55:




By working together in pairs of researchers from the Nordic countries we expect to be able to expand the overlapping area and prepare for improved quality in comparisons. Useful insight may be won from cross-cultural psychology even if this branch of the discipline has had little impact on mainstream psychology (Segall et al. 1990, p. 347ff). The effort to go beyond the “universal” laws of behaviour, i.e., those phenomena that are invariant across cultures, have been criticised by mainstream researchers as “too empirical” and lacking in theoretical base. Cross-cultural psychology has also been seen as too willing to relate to non-psychology disciplines. This latter quality is possibly most interesting for our project since the complexity of the “inter-cultural” situations referred to above will necessitate social construction of solutions. Cognitively oriented theories of complexity (Schroder et al 1967) will need complementing.

Anthropology:

Anthropological studies have been conducted since long in the area of management and organisation theory. An interesting aspect of anthropology is that its characterising feature is its fieldwork. The method for securing descriptive data is the integrating factor of the discipline. It is difficult to write the reports (Agar 1986) because the task is, first, to understand the foreign practices on their own terms and then describe them in a manner that is understandable to, say, New Yorkers. In this sense the anthropologist is a double-agent.

In a programmatic article in “Cultural Dynamics” Hastrup (1997) argues that the main point of fieldwork is to take the agent’s point of view. Drawing on Taylor (1985) she discusses what empathy is, only “a first step in learning a culture”, (p. 364), and how we can adopt the agent’s point of view and at the same time require that the anthropologist should produce a different and hopefully clearer statement of what somebody is doing than what that person is able to account for him- or herself. In developing her argument Hastrup offers the metaphor of theatre. Hastrup claims that actors and human agents alike attend to the world through experience not through its representation in language. To enter into direct sharing of <u>that</u> experience (of the foreigners) we must enter the “contact zone” to live our part in the other world, to be truly present. That experience is existential and in the temporal world (not a ‘natural’ and atemporal one).

Hastrup illustrates by accounting for how her work among farmers on Iceland required her to work as a milkmaid and realise in practice how to keep the flock of cows together when herding them to pasture. Only then would the farmers see her and talk about their vision of the world. Aijmer (1999) is critical. Is living another world possible, and is role-playing – whatever its character – a feasible way of obtaining information? It might be for a Dane doing research in Iceland, but in China or Melanesia the long nose will be difficult to hide. Further, when living another culture in the “contact zone” the anthropologist as double agent draws on anthropological theory to make sense of experience in the contact zone. The two worlds meet in the anthropologist as a person. The ‘resonance’ between the lived experience and theory helps us arrive at a theoretical understanding (Hastrup 1997, p. 359). Aijmer’s critique is that this view of anthropological theory as a practice generates an inward experience of understanding in that the foreign world is internalised through enculturation. But theory is an outward experience. It is the vehicle through which the community of researchers can communicate and criticise. Hastrup makes the experiential (inward) part of the research primary and thereby makes the basis for theoretical claims unavailable for critical scrutiny. The solution (Aijmer 1999) is to keep field observations separate and see theorising as the stranger’s offer of a suggested explanation of the observed phenomena.

<u>This balancing of experiential and theoretical understanding is a central methodological problem in our project. A core issue is how to achieve a link between field observations and theorising that allows results to be cumulative and open to critical examination. We are of the opinion that video films of managers in action in meetings offer a solution to this problem.</u>

Ethnomethodology:
The study of how competent persons accomplish what they do in their professional work is a central topic in ethnomethodology. Originally this movement in sociology arose in the 1960s from a desire to make sociology more scientific (Garfinkel 1967). Instead of basing analysis in assumptions about mental states (which are not accessible for observation) the researcher of social phenomena should anchor analysis in the “texts” (conversations between peers) which can be recorded and reanalysed (Watson & Seiler 1992). This justifies the label “new empiricism” for this approach and virtually eliminates subjectivity (or the use of assumptions about mental states to generate ‘facts’) since the object of analysis is a conversation between competent persons with the purpose of arriving at a solution that ‘works’ (Atkinson 1988). This study is of professional people at work. We will record professional arguments for analysis, but there will be other ingredients as well.

Working with words (Linguistic pragmatism):
Even if the effects of subjectivism in the researcher can be reduced by assuming the attitude of ethnomethodolgy to the research object the subjectivity of the actors must not be reduced. In the conversation between peers, in a meeting, the speakers have intentions (Searle 1999) and they speak about a topic on which most participants in the meeting are knowledgeable. When we want to do something together we do it on the basis that I believe that you believe that I believe etc. in infinite regress. Searle points out that if I have the intention ”we intend” in my head and succeed in co-operating with you then what is in your head will also be in the form ”we intend”. On this basis Searle defines ”social fact” as a fact involving two or more people with collective intentionality. The next step in constructing institutional facts is to recognise the capacity of humans to assign (or impose) functions to objects. When we do this we add “normativity” to causation. Something functions properly when the constitutive rules are being followed. Constitutive rules have the form ”X counts as Y (in context C)”. They define, e.g., which moves are allowed, and what conditions constitute victory in chess (but they do not define what is a skilful chess player). When constitutive rules are collectively accepted they become institutional facts. The formula is “X counts as Y in context C”. To the extent that we use “X” to represent the “Y” status, we are using it as a linguistic device (Searle 1999, p. 155)

But in this project it is not only a matter of relating X to Y in a situation where representatives of different “ways-of-working” are seeking a joint solution. It is also a matter of agreeing on whether context C is at hand - we argue in the lived world. The phenomenographic approach to education (Marton 1981) views ”conceptualisation”, ”comprehending” or ”understanding” in an experiential , rather than a cognitivist sense. The object (phenomenon) and the experiencing subject (the learner) are constituted as a relation in a specific context. The reason that this view of learning is interesting in a context of argumentation is that ”the most important form of learning is that which enables us to see something in the world in a different way” (Bowden & Marton, 1998, p. 7). This widening of our ways of seeing the world means that we make sense of the world in terms of discerning critical aspects of the situation or phenomenon, through variation. The variation enables us to discern these critical aspects so that a pattern emerges. We ”see” a figure against a background. This figure constitutes the core of our awareness in a centre-periphery relation to the background and we make sense of new situations in terms of critical features which resembles previous situations (Bowden and Marton 1998, p. 34). This means that there is already a relevance structure in place based on earlier experience. So when a speaker (teacher) wants to focus the listener's (student's) awareness on some particular aspect or instance of the concept under discussion he or she will introduce variation.

We believe that a significant part of argumentation (or professional discourse between peers) is to present variation in critical aspects to support integration with pre-existing relevance structures. This is achieved by the speaker, 1) "lifting" the figure so that it stands out from the background, 2) keeping some aspects of the figure invariant (taken for granted), 3) varying some aspects so that the figure can be related to the listener's referential structure. How this is achieved in different contexts is an empirical question, but we expect that the general layout of arguments in accordance with Toulmin's (1958) schema will be useful in coding. ("Claims" (C) are supported by "Evidence" (E) with a "Warrant" (W) certifying that evidence is relevant to the claim. The Warrant will have "Backing" (B), e.g., in theory or legislation. The claim may be preceded by a "Qualifier" (Q) indicating that the claim is less than certain and a "Rebuttal" showing why the qualifier is necessary.

We get the more general layout:

E ⟶ So, Q, C

Since W — Unless R

On account of.... B

Toulmin developed this layout of argument in opposition to the dominating syllogism layout which cannot deal properly with substantive arguments (syllogism is a formal mechanism),

| | |
|---|---|
| Socrates is a man | (C is an A – minor premise) |
| All men are mortal | (All As are Bs – major premise) |
| So Socrates is mortal | (So C is a B - conclusion), |

and we often want to make a case (present an argument) about the state of the world even if we cannot be fully certain. Toulmin designed his model from jurisprudence.

Our method is designed to catch how arguments are judged by the other participants in meetings in terms of our use of video recordings, short sequences of which are shown to the participants individually with the question “What is going on here?” In earlier research (see below) we have found that there are great differences in how the same situation is understood by people representing different ways of working.
Our expectation is that the theory of variation will help us understand how an argument can be effective even if participants bring different criteria (or logic’s) to the situation.

Linguistics:
The problem for the speaker is that it is not at all sure that the intended variation in the object of discussion is achieved with the hearer. Hymes (1974) has pioneered the work to develop methods of socio-linguistic description. He introduced the SPEAKING heuristics;

S = Setting and scene
P = Participants
E = Purposes and outcomes
A = Act characteristics (message form and message)
K = Key (tone, manner or spirit in which an utterance is made)
I = Instrumentalities (communicative channels, language varieties)
N = Norms (of interaction and interpretation)
G = Genre

Figure 1 Elements of Hymes’ (1974) SPEAKING heurístic.

Not that this is a recipe for complete descriptions of how a discussion between peers is conducted, but it helps memory as to what is important to register when we want to describe the conversation where argumentation is taking place. When we speak our partners continuously interpret and re-interpret what we say, and respond accordingly. Hymes, uses the term “key” to indicate the atmosphere in which the exchange is embedded. This will influence how arguments will be understood. But there are also implied meanings in what we say. Grice (1975) points out how a conversation is built on co-operation between the participants; a question requires an answer etc, the listener must signal that he or she is paying attention , and it is usually not polite to interrupt others. Such conventions Grice summarises under the Co-operative Principle which says that participants will try to make the required contributions to the conversation at the appropriate time and with the recognised purpose of the exchange. This means that the participants will follow four maxims

Quantity (say as much as is needed, but not more)
Quality (tell what you believe to be the truth)
Relation (be relevant)
Manner (be clear)

The interesting thing about these maxims is what happens when they are not followed and the co-operative principle is still at work, because then the partner tries to work out the implications. The general form of reasoning when a maxim is broken will be

He said X!
He cannot have said X without thinking Y!
He knows that I will think Y when he says X!
He has implied Y!

In this way we are processing what might lie behind what is said all the time. This may be a major cause of misunderstanding, especially when the speakers come from different communities (like production and marketing). Cicourel (1974) has suggested several tools that participants use to make sense of conversations (to do implications, as it were). Such tools are interpretative procedures like

reciprocity in perspective; i.e., acting on the assumption that participants will see the interaction situation in the same way and share understandings.
the et cetera principle; i.e., acting on the assumption that participants will construct their utterances while taking for granted that others will “fill in” what is left unsaid.
descriptive vocabularies as indexical expressions; acting on the assumption that meaning will be attributed to utterances beyond what is immediately said (the emergence of “code” words).

Cicourel also points out that participants acquire interpretative procedures over time and that all participants are not on the same skill or motivational level.

Often students of conversation (like Grice) assume that participants strive to achieve effective communication, but there are other aspects at play as well. Goffman (1959) introduced “impression management” and the tone of a conversation. Even if it is framed (Goffman 1974) as a decision making meeting it may shift “key” or “tone” as participants use expressions to influence relationships between participants by other means than efficient argumentation. They may even avoid to say what they really think because they are polite (Already Aristotle discussed this, “akrasia”, weakness of the will). Grimshaw (1989, 1994) applies a general formulation of manipulative strategies with considerable success:

Source Instrumentality Goal to/into Result,

where “Source” is the originator of the manipulative move, Instrumentality the speech act used, Goal is the target of the originator’s move and the Result the outcome sought by Source. Much remains to be done, especially in situations with several speakers. Grimshaw (1989) reviews the literature on manipulative strategies in professional conversations. We note that Brown and Levinson (1978) used a constructivist approach to develop a Model Person of politeness in verbal manipulation, being a fluent native speaker with two particular properties, rationality and face; rationality being understood in the usual sense, and face defined by two dimensions 1) to want not to be imposed on, and 2) to want people to have regard for oneself.

Grimshaw (1989, 1994) was responsible for the Multiple Analysis Project designed to provide a “test” for different socio-linguistic approaches. The design of the project was simple in the sense that a doctoral dissertation defence was video-recorded. The record to be the common object of analysis was a 10-minute strip from the thesis defence session constituting about 2.000 lines in transcribed form.. The strip contains the evaluative discussion of the committee after the committee members had put their questions to the author. (Analysts had access to audiotapes from the whole session.) The criteria for selecting a thesis defence were “social relevance” (including associated ethical considerations), “salience” (importance to interactants), “density of

interaction", "practicability". Eight separate studies were made of this strip. All studies included an emphasis of the discourse in context. In his summary of the studies Grimshaw points out that a common theme in the analyses is how macro-structures (the thesis defence ritual) are mirrored in the micro-processes of the discourse, but above all he concludes that the Labov & Fanshel (1977) "paradox of microanalysis" (claiming that the closer interaction is scrutinised the more participants appear to behave aggressively or self-serving etc.) seems not to have been borne out by these studies. A co-operative principle seems to be at work in the social structure ("mappable set of interacting roles") of the situation. Grimshaw also gives some practical advice concerning the management of the data records when multiple analysts are engaged in the project.
Even if the MAP project cannot be said to have been a complete success it has inspired this project in the sense that we want to explore what can be gained in understanding of successful argumentation in across borders management groups through multiple analyses of discourse. The project should be carried out in co-operation with researchers based in the other "cultures" to provide variation in analyses.

**Own related research**

This study is an effort to break new ground in the study of management across borders. There have been studies of an analytic kind focusing on resource bases for strategic action, transaction costs, core competencies, and the identification of synergies, to name a few approaches. As mentioned there are also studies showing that most mergers fail to reach the goals set up to justify the merger. There are however few studies on the micro level of how the interaction between units in the same company but within different managerial cultures is accomplished in practice. This is our "business idea"; to study the micro processes of communication in meetings where judgement of goodness of situations, performance and plans is done. To demonstrate that we are well prepared for this task the following account of earlier related research is given:

In 1993 a top management group of a city administration was studied using extensive interviewing with the 11 members and video filming of a 4 hour meeting. Sequences (1 minute) from that meeting were played back to individual members and their responses to the question "What is going on here?" were recorded. It was found that there were wide discrepancies between how members understood the same event. This could partly be explained by the role each individual had in the group. Also we could illustrate how a concrete case was used by members to, jointly, work out the implications of a proposed rule for charging internal rents. (Jönsson 1996, Jönsson & Macintosh 1997, Jönsson 1998). The same year the same technique (interviews and video recordings of a meeting) was used to study how a team oriented consultancy firm dealt with the need to reduce cost by laying off consultants. Here a linguistic analysis demonstrated how communicative power could be measured by a cluster analysis of a matrix of “who-turns-to-whom” (Dorriots & Johansson 1999).

In 1996 a study of product development teams in the car industry, in the setting of the alliance between Mitsubishi Motor Corp. and Volvo Car Corp., was started. Two year models of the Volvo S/V 40 (1998 and 1999) have been followed (interviews, video-filmed project management meetings, questionnaire measures of work climate). One main result is that the complexity of the situation (arguing to persuade members with different backgrounds (“ways-of-working”)) generates stereotyping, which, in turn, increases the frequency of debate and personal conflicts. (Edström et al 1998, Jönsson et al. 1998). Personal conflicts are assumed to hamper creativity, while debate is good. The need to discipline the process towards industrial implementation is shown (Jönsson et al forthcoming). Two doctoral students are finishing their field work (beginning of 2000) following two other car projects with all Swedish participants. In these projects feed back from the researchers on observed communication problems have been used to help members reflect upon communication issues and their effects upon the efficient management of complex projects. In these projects the impact on the micro-level of Ford’s take-over of Volvo Car Corp. has been possible to observe. These field observations, which are unique in the sense that the studied organisation has allowed researchers to observe strategically important decision processes, show that there are very strong disciplining mechanisms in project management, but still there seems to be an oversupply of “good ideas”, old and new ones. When project members present their proposed solutions to design problems we see various techniques to “lift up” the proposal so that it appears to the other participants as “figure” against “background”. We hypothesise that many communication problems arise from the fact that presenters are not careful enough to assure that the proper background, information to give the “figure” its intended meaning, is at hand in the other’s mind (it is not enough to present the “figure”!). This remains to be demonstrated through further analyses of a large number of video recorded meetings.

We have video-recorded regular meetings with a group of product managers (German and Swedish managers) in Stora Fine Paper where market information (prices and volumes) is analysed. This research has focused on how managers try to assess when down- and up-turns in the different markets are indicated. (Quite regular sinus-curves appear over time with benefits to be gained by well-timed action on prices, stock-levels and capacity use.) No report published yet but a first version manuscript is ready.

## Organisation of the project

The project will be conducted in the form of pairwise studies with the Swedish partner and researchers from the Nordic countries. Three research groups have been contacted (personal visits, seminars to present the project) and agreed to participate:

**Bodö** Graduate Business School (Dekanus Svenn Are Jenssen)
**Turku** School of Economics and Business Administration (Professor Kari Lukka)
**Aarhus** University, Institute of Economics (professor Ole Oelenschlaeger Madsen)

1. Each pair of researchers will study one company in their own country owned by a company in the other country (Norwegian – Swedish and vice versa).

2. The researchers will conduct field work in their home country company by the usual methods (interviews and participant observation) under instructions from the co-ordinator and the country co-ordinator (to achieve comparability of observations). The task is to map the context of the merger and operations after the merger, to map the roles of the members in the focused management group, to participate in meetings (before and after the video recording(-s)) of the group, and to elicit comments on the efficiency of the meetings.

3. The researchers will make video recordings of fairly standard management situations where report are judged in terms of goodness of performance or competitive situation:
- one meeting with a periodical economic report (e.g., monthly cost report)
- one meeting where market potential is discussed (e.g., review of sales, market share, or pricing policy).

(3.1 If the top management team will allow observation of a strategy formation meeting this is a bonus. The same goes for more dramatic events.)

4. From the video recordings (Point 3.) one 10 minute sequence is selected of each type for intensive analysis. It is transcribed in a uniform manner to allow analysis. One sequence (c.a. 1 minute) from the beginning and one sequence from the end of this 10 minute recording are played back to participants in the meeting (individually) with the question "What is going on here?". The response is audio-taped and transcribed.

5. The local researcher and the partner from the other country each do a report on their individual analyses of the two video sequences from each of the two companies and background material.

6. The local researchers and their partners do a joint report where discrepancies between the two analysts in interpretation of the material are dealt with.

7. The whole team , in various combinations, analyse the processes of inter-cultural understanding in management situations, plus the difficulties of interpretation from different researcher perspectives.

8. A database of communication events and related field observations can be constructed and used for comparative analyses, text book writing etc. Further studies (of other cultural interfaces, e.g., Danish / Finnish) can be added if compatibility in format can be maintained.

(All storing, analysing and publishing of data and conclusions to be done only if participants allow.)

The procedure 2 - 6 will be repeated for each country pair (Sweden and, Denmark, Finland, Norway respectively) which means that there will be all together 6 company studies in the project. Each country pair will be run independent of the other two studies in terms of timing to reduce co-ordinating problems. Still, great efforts must be expanded to keep the project together. This will be achieved chiefly by the project co-ordinator (Sten Jönsson) serving as thesis advisor for doctoral students at the participating schools (formal agreements that provide for this have been closed with Bodö and Aarhus, at Turku (where Jönsson has a honorary doctorship) a personal visit early 1999 ended with an agreement in principle to go ahead with the project). Each doctoral student will also have a local thesis advisor. Co-ordinating seminars (workshops) will be called for at least one time per semester. Such workshops will serve to standardise field work, keep the field work moving, and to provide structure to analyses. An initiative will be taken to organise a “stream” session on comparative Nordic management in the bi-annual Nordic conference on Business studies.

The main theoretical work will be done when the empirical material is in place (from 2002 and onwards) and has been subject to a first round of analysis (e.g. in doctoral theses). We expect that the project will generate supplementary studies, including studies outside the Nordic countries, which will be welcome and this will require administrative work to make the data sets compatible and comparable. Hopefully it will be attractive for Nordic business schools to draw on this data base and analytic results in the design of courses and teaching cases.

To assure proper use of “imported” methods support from the following persons has been agreed:

Professor Göran Aijmer, Social Anthropology, GRI, Göteborg University
Professor Jens Allwood, Linguistics, Göteborg University
Ph D Airi Rovio-Johansson, Department of Education, Göteborg University

Professor Aijmer is now stationed at GRI and is engaged in the debate on the relation between fieldwork and theorising in Anthropology as indicated in the text above. Professor Allwood has been a partner in our first projects using the video technique.

Dr Rovio-Johansson has just finished a project where she has studied how lecturers in Business Administration present the object of study and what effect the manner of presentation has on student learning (Rovio-Johansson 1999). An analysis in line with the theory of variation (Bowden & Marton 1998) is expected to be central to the project. These supporters will participate when workshops are held in Gothenburg. Rovio-Johansson will participate to a considerable extent. Each workshop will require that 6 persons (2 from each visiting institute) will travel across Nordic borders.

The co-ordinator will travel at least 2 times every semester to the local study sites. Two visits may be necessary to set the stage for the respective studies.

## Budget

**Personnel:**

- The main part of the field work will be done by doctoral students of the participating schools (this means 5 doctoral students, two for Sweden since 3 company studies will be done here). The Danish doctoral student will be Johannes Liebach Lüneborg, the Norwegian Beate Rotefoss, and the Finnish is Marko Häkkinen (professor Lukka is interviewing a second more likely candidate, but cannot make commitments at present. The Swedish candidates will be selected among the more than 200 doctoral students currently registered at the Department of Business Administration in Göteborg if the proposal is accepted. No promises have been given and no commitments requested.) It is desirable that these students have finished the main part of their course work when the study starts.
- Local thesis advisors participate as part of their ordinary duties.
- The co-ordinator, Sten Jönsson, does not hold a chair with fixed financing, but is dependent upon grants for his salary. He wants to focus his energies on this project over the next few years.
- Airi Rovio-Johansson (doctor of Education with a thesis on comparative teaching skills in Business Administration, 1999) will participate in the management of the project, and in the comparative analysis. She will conduct complementing interviews as basis for further development of the “theory of variation” presented by Bowden & Marton (1998) as it applies to presentations in meetings. (Jönsson and Rovio-Johansson are salaried researchers).

- The supporters on method (professors Aijmer and Allwood) participate as part of their ordinary duties. Should the involvement be considerable a readiness to pay a fee is required.
- Typing help is required for transcriptions.

**Travel expenses**

- Every fieldworker is expected to spend 3 periods of a couple of weeks at her or his company during the field work year, and occasional visits thereafter. The field year is expected to be 2001.
- During the fall of 2000 two workshops are held in Gothenburg to go through the methods and the theory base. Thereafter one workshop per semester is held in Gothenburg.
- The co-ordinator will participate in the introduction of the project to the participating companies, and visit each field worker once per semester.

**Computer support/Equipment**

After having discussed the issues thoroughly (not least with Volvo representatives in connection with current studies) a consequence of working with video in digital form is that the dominating requirement in computer support for this project is the protection of the individual integrity of participating managers. This means that data, including digital video recordings, must be stored and analysed on equipment that is not accessible from the net. 2 digital video cameras are deemed necessary since we will conduct parallel studies. We assume that the other schools can organise suitable solutions for the local studies. It is also assumed that audio-recorders are available.

It is assumed that the first three years of the project will be oriented towards the field studies done with doctoral students and the two consecutive years will be devoted to theoretical work based in the empirical results.

It is also assumed that the scholarships to doctoral students will not be subject to university overhead charges, but all other expenditure will be. (30 %, which includes 12 % overhead, 10 % rent, 8 % compensation for VAT).

Given these assumptions the costs amount to

| Cost type / year | 2000 | 2001 | 2002 | 2003 | |
|---|---|---|---|---|---|
| Personnel | | | | | |
| Sten Jönsson (100 %) | 350 | 705 | 705 | 355 | |
| Airi Rovio-Johansson | 110 | 220 | 220 | 110 | |
| 5 PhD students | 450 | 900 | 900 | 450 | |
| Typing | 50 | 150 | 150 | 100 | |
| Travel | | | | | |
| Workshops | 72 | 36 | 36 | 36 | |
| Visits to sites (SJ) | 75 | 30 | 30 | 30 | |
| Fieldwork travel | 90 | 180 | 25 | 25 | |
| Equipment | | | | | |
| Computer (encl. 1) | 920 | | | | |
| IT services | 50 | 50 | 50 | 20 | |
| Sum | 2.167 | 2.271 | 2.116 | 1.126 | |
| University charge | 404 | 411 | 364 | 203 | |
| Total sum | 2.571 | 2.682 | 2.480 | 1.329 | 9.062 |

(Equipment calculated at a rate of 18 %. All other expenditure (except scholarships) are calculated at the compulsory 30 %). The Computer equipment cost is eliminated if the Wallenberg application is awarded a grant (odds not too good).

For the years 2004 and 2005 the project cost is expected to amount to 1200 kkr (inclusive the 30 % university charge). This can be specified in an application for the final stretch to be presented in year 2003 (if the first period is successful and shows promise).

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