

**MANAGING MULTI CULTURAL TEAMS IN BNP PARIBAS'S
JOINT VENTURE IN INDIA**



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Stamford International University
The Graduate School**

Title: Managing multicultural team in BNP Paribas joint venture in India

Research: Lucy Berloty

The Thesis committee:

Chairman

(Assoc. Prof. Dr. Chow Rodjanasang)

Advisor

(Dr, Martin Goerlich)

Committee Member

(Dr, Dolly Samson)

Committee Member

(Dr, Donn Pjongluck)

(Dr, Apitep Saekow)

Dean of Graduate School

(November 2014)

Thesis title: Managing Multi cultural Teams in BNP Paribas Joint Venture in India.

Researcher: Lucy Berloty **Student ID:** 013270018

Degree: Master of Business Administration

Thesis Advisor: Dr. Martin Goerlich

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Abstract

The objective of this research is to study the main determinants of the failures or issues in joint venture in India. Indeed every year, new joint ventures are creating and India is a destination that keeps attracting investors and international companies. However, besides this attraction, many joint ventures are a failure. Indians is a very large country with many different cultures among the country. It is then, not rare to see in one team different culture even if they share the same nationality. Working with international managers and employees can be very different for Indians but also for International people that often need special training before going to India and adapt their way of working and managing.

In our research, the case study of BNP Paribas a successful joint venture will be studied. The key informat method is applied with qualitative sample. A total of 7 face-to-face interviewees were done.

The results of this study show that cultural awareness and deep understanding of cultural differences are the keys to effective cross culture management. It is hoped that this study will give benefits to the reader how to avoid most common mistakes when working on cross culture environment.

Keywords: Joint Venture, International managers, Cultural differences.

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CHAPTER 1

INTRODUCTION OF THE RESEARCH

1.1 Introduction of the study

India, ecosystem mixing youth (30 % of the 1,2 billion inhabitants are less than 30 years old) and dilapidation, modernity and tradition, wealth and poverty is the object of all the fantasies in view of the numerous opportunities, which it represents in the emergent region that is Asia (World Bank, 2014).

The superlative degrees are running out when it is a question of speaking about India, 2nd country to the world by its population, a superior surface to six times the one of France, a growing fast market with a GDP progressing of more than 8% a year on average and presenting a resistance to externs shock allowing it to take back its race forward after a brief slowing down during the economic crisis in 2008-2009 (India today, 2011). India it is also a potential estimated at 350 million consumers and enormous needs in infrastructures offering perspectives of considerable developments. It is also a fabulous reservoir for talents with more than 2,5 million graduate students from universities every year, among which 300 000 engineers who join the Indian and foreign large companies as well as 1 500 active research institutes in this country-continent (Le Point, 2013).

In this study, we are going to focus on the multi-cultural team in Indian's joint venture, because a lot of those teams are having trouble to be in harmony and especially in countries with a big difference in terms of culture for westerners. A better understanding on team behaviour will help them to improve their managing techniques.

1.2 Statement of the problem

An increasing number of foreign companies are interested in the Indian market. If we take the case of France, from 250 French companies were implanted in India in 2005, they passed in more than 550 in 2008, and the French-Indian partnerships do not stop blooming in all the domains (Deroeux, 2008). However many joint ventures are stopped suddenly due to several reasons including some

multicultural management issues. Having a team with a good spirit and a good understanding is always a key component for companies since it is proven that it increase their productivity if the cohesion inside the team is good (Moalla, 2012). However where do the issues in multi-cultural teams come from? Are the companies aware of that problem before setting in abroad?

What challenges these joint ventures are facing and what are the solutions to overcome that issues?

1.3 Objectives and Research question

The objective and sub- objective of this study are as follows:

- 1) To discover the challenges of hierarchy, communication and working methods.
- 2) Understand why foreign managers has faced challenging situations and what where the reasons behind these situations and provide recommendations and tips.
- 3) How can managers overcome key challenges of cross culture management in BNP's Paribas joint venture in India.

1.4 Scope of the research

The study is main to understand better the inter cultural management in India's joint venture and to focus on the communication, hierarchy and working methods used in multi-cultural teams. It will analyse the fact in general, the limits, the risks and the recommendations given by some employees that are already working in a joint venture in India.

The respondents of our interviewees will be managers and employees living in India and for some of them expatriates. They are working in a French bank based in Chennai that made a joint venture with an Indian company. This joint venture will be our base and will be used as an example to illustrate our theories.

1.5 Limitations of the study

We will try to focus on the main problems that are encountered in a multi cultural team, however all the issues won't be the same in all the companies so all the issues won't be covered in this research. The company that will be taken as an example and where our qualitative research will be is a French company so they might have a different point of view of the problem that they are encountering with managing Indian team and it might also be different from the Indian managers.

1.6 Significance of the study

This study is interesting in the fact that nowadays companies are more and more inter cultural, it is not rare anymore to see many nationalities in one company. Indeed, with the crisis joint venture are more present than before and it is really frequent to encounter some multi-cultural management issue (Moalla, 2012). As I mentioned earlier, India is an attractive country for companies however they have a different culture compare to westerner companies. That is why it can benefit all the companies that are planning to invest in India and help to understand better the problem that the companies already set up encountered.

As an international student, my aim is to work in a multi-national company but it is sometimes hard to have a good understanding of how to behave and that all countries have different culture. Thanks to this research, it will help me to adapt my behaviour to the country I will be working in and it can be useful for all the students that are willing to work abroad.

From our readings, it appears that there are two different points of view about our research topic. Indeed, on the first hand Thomas Friedman "The world is flat": the differences inter countries have become minors. The 10 factors that make the world flatter:

- The fall of the Berlin Wall and the walls of regulation in some countries
- Open sourcing/ open source software
- Outsourcing

- Offshoring
- Supply chaining
- Insourcing
- Informing through the powerful search engines such as Google to which we have access.

It suggests that since the differences inter countries have become minors, it should not be a problem for international companies to settle a joint venture and manage teams without any conflicts.

However, from a different point of view, we have Pankaj Ghemawat “Redefining global strategy” (2007): the differences are still playing a role among different countries. “Crossing a world where differences still matter” that suggests that internationalisation is an opportunity such as foreign direct investment but differences can still be problem for management.

1.7 Definition of terms:

Joint venture: A joint venture is a strategic alliance where two or more parties that form a partnership to share markets, intellectual property, assets, knowledge, and, of course, profits. A joint venture differs from a merger in the sense that there is no transfer of ownership in the deal (Allen, 2013).

Caste system: A caste system is a type of social structure that divides people on the basis of inherited social status. Within a caste system, people are rigidly expected to marry and interact with people of the same social class. Caste mobility is also extremely rare; one cannot transform from a labourer to a scholar except in very rare circumstances, for example. Higher castes traditionally hold all of the political power, and the castes may be divided further through language, culture, and economics. Within a caste system, each member generally knows his or her place, and your social status is usually apparently to others as well (Phruti, 2004).

CHAPTER 2

LITERATURE INTERVIEWS

2.1 Cultural and political differences in India: Break to the settlement of foreign companies?

2.1.A Cultural obstacles: India, a country of contrast and diversity.

When we think of India, it comes to mind the idea of a millennium culture, unique and the deep anchoring of the tradition in the society. The last few years, India also distinguishes itself with an impressive economic growth rate, especially due to the boom in the computer sector and the competences of his “software genius” (Express news service, 2011). This is exactly what symbolizes India, this contrast between tradition and modernity, where is mixing, on one hand, the tradition and the importance of social standards and on the other hand the technology, innovation emblem on his economic ascents on this last decade (Goxe, 2006).

It seems primordial to understand and to dread in general the contrasts of the country as well as its specificities. Environment has important repercussions on the organisation. During a setting up, it is essential to be conscious about the political, economic, legal and societal functioning of the region. The key questions to ask are: What are the particularities with which I have to comply? Which constraints am I going to meet? How to surpass them or to manage them?

To begin with, the knowledge of the country allows putting in motto a certain number of key notions to be kept in mind to understand better the Indian market? A key word stands out from this analysis, diversity. In a country that is as vast as India (surface which corresponds to 8 times the France’s one), and with a population so numerous (almost the fifth of the humanity), diversity exists at all scales and the simple awareness of this characteristic allows to be better prepared to the Indian market. Furthermore, India is today of market of future in which French and international actors are positioning without waiting. Indeed, the country represents an important home of populating with a middle class that is becoming more and more

important. In other terms, India possesses consumers reserve under exploited and represents an alternative more than interesting for numerous western firms.

Geographic and demographic diversity

The question about territorial specificities might look secondary at a first thought but it allows defining the attractiveness of a territory. The economic actors are famous to choose the territories where they are setting up a competitive advantage and eventually a quality environment (Jaganathan KT, 2010).

We distinguishes four types of regions in India:

- In the North: the Himalaya mountain range
- The grange's plain: The most populated region and the most fertile of the country
 - The desert regions: in North- West including the Thar's desert to Rajasthan and the Rann of Kutch in the Gujarat.
 - The Deccan's plateau: lined with mountain range (ghats); at East and West.

At the image of those types of regions, Indian people don't form a homogenous group; it is easy to differentiate the Bengalis native from the East, quite tall and with whiter skin, the Cachemiris with very marked Asian lines, the North Tibetans, the Tamils with dark skin (Nayar, 2011).

Moreover, the population of India is unequally distributed on the territory. The average density is 380 inhabitants/km² in the Gange's plain and superior to 800 inhabitants/km² along the Kerala's littoral or at the occidental Bengal whereas it is inferior to 100 inhabitants/km² in the Rajasthan desert or in the Madhya Pradesh forests. The capital Delhi is around 10 000 inhabitants/km².

India possesses the most important urban population in the world (300 million of city-dweller) after China and nevertheless she appears among the less urbanized on the planet with a urbanisation rate of 28,53% (World Bank, 2014).

The fourth biggest Indian metropolis (in millions of inhabitants, *World Bank 2014*):

- Mumbai: 20
- Delhi: 18

- Calcutta: 15
- Chennai: 7

Linguistic diversity

Other factor of cultural explosion: it doesn't exist a national language in India. English stays the language of justice and a big part of the administration but it is far to be spoken by all: his use vary according by the states but also the educational level and social classes (Jaganathan KT, 2010).

The constitution recognizes officially 18 languages distributed in 2 groups:

- Indo- Aryen
- Dravidian

It exists 1600 minor languages and dialects listed; most of the Indian languages possess their own alphabet.

Numerous efforts have been done to replace English by Hindi and to make it the national language. The main blocking comes from the fact that, if Hindi is the dominant language in the North, it is very different from the South Dravidian languages where it is rarely used. In the South, it is the Tamil that dominates (Madhavan N, 2008).

Religious diversity

Religion is a predominant theme in India; it is a part of the quotidian of the inhabitants and is present in all the aspects of life in the country. It is on that fact completely usual to interrupt in the middle of the task to make his prayers. Religion is so, also very present in companies (presence of divinities photos, etc.)

Certain religious criteria's allows in fact to explain some behaviour adopted, for example the faith in reincarnation constitute an important feature and corresponds in the cyclic conception of life on earth (Rosca D, Schiopiou Burlea, 2010). This belief explain the tendency to put everything in perspective: what is the use to complain or finish such or such tries if we reborn under a better life?

Even if Hinduism is the majority religion (80% of the population), it exists numerous others religions practised by an important part of the population. There is indeed 100 millions of Muslims, 22 millions of Christians, 18 millions of Sikhs, 6,6

millions of Buddhists and 4,5 millions of Jains. In that fact, within an organization can find themselves numerous religions, but the conception in front of this phenomenon is not a laic conception like we know it the West. The individuals expose clearly their religious membership (Madhavan N, 2008). It is thus a question of avoiding any stigmatization and value judgment. The religion is one of the main stakes in the Indian political and social debate, but also the cause of sometimes violent community confrontations. The neutrality is imperative concerning this theme.

Social diversity

Maybe the most important diversity nowadays and the most visible in India, offering us a panorama of all the disparities of the world concentrated in one country.

The division in caste

India is often described like the “biggest democracy in the world”, it is true that his constitution promulgated in 1950 is avant-gardist and guarantee a certain number of right to all. Moreover this text, drafted by an Untouchable, advocates the equality for all and breaks with the ancestral tradition of division of society in social groups based on privileges of the birth. However, this tradition is too well anchored in the Indian society and is difficult to eradicate. The division of the society in castes is thus, even today, a reality in India, even if the tendency begins to highlight certain one de-compartments of the society (Staff reporter, 2012).

For a comprehension of the social hierarchy, the *varnas* (castes) indicate a separation of beings en four groups treated on a hierarchical basis that can represent a profession, a job:

- The *brahmans* (bounded in crowned): the purest, at the top of the hierarchy. They are transmitting the knowledge to the other castes.
- The *kshatrivas* (bounded to power): authority and protection function
- The *vaishyas* (bounded to clan): those who govern the material life, the breeding, the trade..
- The *shudras* (bounded with service): has to supply a job for others.

The Untouchables (the *dalits* in India) are out of castes; they are excluded from the four *varnas* and are relegated to the degrading or very badly paid tasks (impure said

jobs). The castes system is legally abolished but it is still persisting in the Hindi world vision (Tawa Lama Rewal S, 2008). The caste can still have strong impacts in a company, even directed by foreigners. The caste sector thus stays a tensions factor. Some examples are given to us from expatriates interviewed by the Challenges magazine from June 2005.

“When we are in meeting and it needs to do photocopies, everyone is naturally looking to a high level engineer! The more curious is that they are executing without a word. The key of the riddle? Despite his brilliant studies, [...] he belongs to a low caste.”

A manager of a subsidiary SME from Nantes region in Bangalore tells in his turn: “We have a Brahman receptionist from a high Tamil lineage. It is necessary to address to him with consideration due to its caste, even if he occupies a very subordinate position. He always manages to delegate to juniors or to employees from lower caste, which is very consumer of time.

The last manager of a big French pharmaceutical company testifies: “ I had to fire a young Brahman commercial. She didn’t support to be placed under the authority of a product manager nevertheless very competent, that belongs to a *bania* (merchants) caste She spent her time to short circuit him” (Le point 2013).

Those examples show concretely the strength of secular traditions that persevere even at the level of the company. The social division is so a real constraints on the organizational level encroaching on the productivity, the hierarchy and the interpersonal relations (thus having an impact on the working atmosphere and the well-being of employees).

Social relations in India

Beyond the logic of caste, Indian considers that he became somebody only when he will serve the group where he belongs. What can be an advantage at the organizational level if the group goes to the “common sense”, should the opposite occur the group is binding for the well-being of organization in term of initiatives, formal as informal but also innovation.

Indians need to position compared with the others this is a natural fact since their youngest childhood, consequently they will ask many questions (personals). This characteristic is due to the fact that the Indians have a well-established social stratification, coded, structured with for each a place on his own (Staff reporter, 2012).

A question that must be also approached concerns the place of the women in the Indian society. In spite of the name of women in posts of high importance (at the post of president of the country, prime minister, president of the India parliament, leader of the opposition), the condition of the Indian women remains considered as one of the most difficult in the world. The condition of the women remains profoundly marked by a discrimination of kind anchored in medieval traditions. The report of 2007 of the world economic forum indicating the gap between the sexes places India to 114^o place on 128 studied countries. India would actually be the most dangerous fourth country to the world (Thomas Reuters, 2007). Women's status is thus very different in India; many expatriate women have difficulty in finding their place in India (little social mix).

2.1.B The institutional and juridical constraints

Political aspect

As evoked previously, we often refer to India as being “the biggest democracy of the world”, India has stable institutional system foundations of which suffer no intern contesting. However, there is in India a strong communitarianism and the wave of attacks, which struck the city of Bombay on 26 November 2008 Came to remind to the collective memory that India is situated in the heart of an unstable geopolitical zone, and that in spite of the image of serenity conveyed by the western media, this country remains highly concerned by the terrorist threats that it is Islamist or connected to the various present pro-independence movements in the States of the Northeast or still in the State of the Jammu and Kashmir. It is however considered, in the opinion of numerous commentators that the government seems to bring the suitable and pragmatic measures of these stakes. Furthermore, from a geopolitical

point of view the relations between India and his neighbours are rather convenient to the reassurance (Press trust of India, 2011).

Another key aspect of the political theme in India corresponds to the corruption. Indeed, it is the main quoted cause by the foreign companies, which hesitate to invest in India (Kavita Chowdhury, 2011).

“The importance of the corruption in India is such as all the population is confronted with it almost daily. In spite of the numerous inquiries led by the journalists and the police, certain politicians and entrepreneurs continue to grow rich at the expense of the country”. Among the recent scandals, we can quote that of the games of the Commonwealth of 2010 and that concerning the controversial attributions of phone licenses that blew in 2011 with a loss of income for the Indian state of 30 billion euro. As a result: ONG Transparency International has ranked India at the 95 ranks on 185 for his level of corruption in 2011. (B. Venard, 2012).

The legal and administrative rule.

India benefits from an independent legal system, however the classification of the World Bank “Doing Business ” places India in the 182nd on the criteria of the respect for the right. Nevertheless, the slowness of the Indian justice, the darkness of its procedures, and the numerous cases of corruption do not have to darken the fact that the Indian system of justice makes respect the rights of the foreigners in the same way as that of the national (World Bank, 2014).

French investors in India benefit from bilateral capacities signed in protection of the foreign direct investments and the non-double taxation. India has a modern monetary and financial system, payments can thus be made in a simple way and the repatriation of capital is easy. As regards the international commercial transactions, the local statutory frame recognizes the international practices and follows rules uniforms 600 of the CCI (Le point, 2013).

2.2 Solution of a joint venture

2.2.A The stakes of an international joint venture.

Roles:

A local partner turns out to be useful to overcome the political and administrative barriers presented in chapter 2 parts 1. The role of a joint venture is multiple. The main function is the learning of other one of the fact of the interactions inter organizational and intercultural (Bartel Radic & Ratenberg, 2001). This type of alliance has for role to by-pass the socio-political barriers in the entrance of a country. The policy of the country can indeed limit the setting-up of the foreign firms or impose too binding conditions for the multinational (Jaussaud, Scaaper & Zhang, 2000). To end with the roles of a joint venture, once this one was organized, this alliance will make benefit to every partner a sharing of the knowledge of their respective market, resources and networks of influence.

Advantages:

Several advantages are associated to the implementation of a joint venture to know the access to the resources, the economies of scale, the sharing of the risks, the reduction of costs of research, the closeness with the local market (Das & Teng, 2000). The appeal to a local partner is motivated by the globalization of markets. So, the multinational is going to be able to be closer to his customers to offer services more adapted for the better deadlines but also to share the knowledge with the partner. This collaboration allows the creation of synergies, meaning advantages more important than those whom they would have produced each from their side (Jaussaud, Schaaper & Zhang, 2000).

Limits (Possible failures)

Although joint ventures present advantages, more than half come to an end. The rate of failure can vary until 70 % (Prevot & Guallino, 2010). It is thus necessary to know the factors of failure to protect the smooth running of the company. The end of the agreement of a joint venture would result from instability between both

partners. This instability can arise in several stages of the alliance. It can have for example, instability at the level of the definition of the initial conditions from the beginning of the collaboration. If companies do not get on the initial objectives, they risk not acting towards a common interest. The relation risks all the more to be unstable that firms are in interdependence, this interaction being marked by the activities and the complementary know-how (Yan & Zeng, 1999). Another reason, which would explain the rate of high failure, is advanced, namely the cultural differences. With two corporate culture and national different from then on, he can have problems of communication and opportunism there. Other external elements to companies can also play such as the risks associated to countries (Luo et al, 2001).

The conflicts arise in the medium term for several reasons such as the will to become autonomous. Companies are going to become aware then gradually of these differences of interests, and eventually act and to find a solution or decide to ignore the problem. By suffocating the problem, the others accumulate, and appear then organizational diseases (Moalla, Pereira, Pundrich & Triki, 2012). It is thus necessary to set up an action plan to limit the factors of failure. The control of the alliance by one of the partners can lead to a more stable relation because the behaviour deviants are limited. On the other hand, the detention of the capital in 51 % is not sufficient to take the absolved control from the joint venture (Bener & Glaister, 2010). It is thus necessary to find adapted mechanisms to make sure of a good agreement.

2.2.B Coordinate two joint ventures (“Management”)

The good functioning of one joined venture is going to depend on the way it is going to be managed. A well-balanced relation and a good integration of the employees of both partners allow avoiding the conflicts of identities or interests. It is about control and coordination in the adjustment of a joint venture (Philippart, 2000).

Control:

The control in one joins venture can send back to positive and/or negative mechanisms. The first case is measures taken by one of the partners to encourage certain actions whereas the second sends back to mechanisms to prevent certain behaviour (Schaan, 1983). Control of one joint venture is all the more difficult that it

is about an alliance to equalitarian parts because the decisions must be collectively taken, what risks to slow down the process of decisions (Killing, 1982). It is thus important that there is not a feeling of dominion to protect the good agreement of the partners.

Control the performances of the partner and the means spread to do it without offending for all, that the relation allows making converge the interests of both companies. In defect, it risks to have misunderstandings even blockings there all the more, if we are in intercultural situation.

There are offered several instruments of control such as the participation to the board of directors of the company partner, the implementation of trainings with the aim of socializing the employees partners and so exercising a control over them, agreements of technology transfers or still the preservation of relations between the managers of the partners (Schaan, 1983; Geringer & Hebert, 1991; Kumar & Seth, 1998). Two others ways if control on the partner are proposed. They evoke on one hand the allocation of capital, more it is important more the control is guaranteed (Jassaud, Schaaper & Zhang, 2000). Yet in reality, certain developing countries do not allow the foreign firm to have a part more important than the local company for legal questions (Killing, 1982). On the other hand, the recourse to the expatriate managers allows controlling the operations within the joint venture because these managers are more to be loyal to the parent company (Torbiörn, 1982). The expatriates can also take care of the training and the socialization of executives to exercise a better influence on the partner team.

Coordination:

The coordination bases on the learning of the relation with the partner firm on one hand, and on the trust on the other hand (Philippart, 2000).

The processes of learning and the transfers of knowledge are permanently made during the evolution of an alliance (Aleksic Miric, 2013). There are five aspects of the learning that are the environment, the tasks, the process, the skills and the purposes (Philippart, 2000). Each of these learning's has for objective to stay in sync with the partner and to straighten the initial conditions. The sharing of knowledge

passes by an interpersonal interaction (Bartel Radic, 2001). The employments of the expatriates are offered to improve the coordination between units (Mäkelä, 2009). On one hand, they allow the transfer of the knowledge between the various units and so, improve the coordination. The more the interaction is strong, the more the employees are going to exchange their knowledge during the activities, which commit interpersonal relations. They have on the other hand a function of communication between the subsidiary and the parent company because generally the expatriates are already familiar with the procedures and the operations and have an address book of both entities (Torbiörn, 1982). The more we turn to the expatriates, the more the inter-filial communication will be intense (Wilhem Barner Tasmussen & Ingar Björkman, 2005).

A necessary condition to bring to a successful conclusion the learning in intercultural context is the trust. The success of a joint venture is a function of the mutual understanding, the trust and the closeness (national and regional cultures for example) (Bartel Radic & Ratenberg, 2001). The trust allows the knowledge sharing that is a transfer of internal knowledge (Ambos, Ambos and Schlegemilch, 2006). So both partners have to learn to collaborate in a good work atmosphere (Lorange and alii, 1992). What they gain by collaborating is a better performance and fewer conflicts. The trust is indeed more effective than the authority in the prevention of conflicts because the latter could discourage the interpersonal interaction and destroy any team spirit (Abrams, Cross, Lesser & Levin, 2003). The trust is all the more important as we are in a multicultural context. For example, the language ability of the host country is judged as a favourable eye and allows winning the trust of the foreign partner. Besides, if the employees master the language of the host country, the communication will be richer because she will allow bringing down the language barrier. Two people speaking the same language tend to group together and exchange more (Barner Rasmussen & Björman, 2005).

2.2.C Internationalisation's strategy

The phenomenon of internationalization corresponds to an economic phenomenon of investment abroad by establishing itself on an economic analysis in terms of insourcing, governance and advantages of location (Williamson, 1975,

Dunning, 1988). In other words, we can speak about geographical expansion of economic activities beyond the national borders (Ruzzier et al, 2006). With the globalization, we can talk about dynamic management and a progressive integration in the global scale of the various activities of an organization.

It is possible to divided this process in 3 steps: (Al Abdusalam and Paturel, 2008).

- Extension: positioning in a foreign network where the firm is until then absent.
- Penetration: development of the positions of the company within the network.
- Integration: coordination of the various positions occupied by the firm in several networks.

One of the major stakes in multinationals is the geographical and cultural distance (Hedlund, 1986). Without communication, the various subsidiaries risk to pass next to commercial opportunities. Markus (2012) proposes then the notion of inter-organizational coordination of a hub. He defines this notion as inter-organizational arrangements in which several autonomous organizations interact and propose services in information technology that facilitate the communication, the coordination or the collaboration between the members of these communities. The services proposed to the various subsidiaries are the following ones: networks in information technology, software, databases. The idea is to be able to collaborate in spite of the geographical and cultural differences which separate subsidiaries some of the others.

The notion of hub used by the French bank is close from the one described by Markus (2012) in the sense where the coordination of various entities requires above all a platform.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Research method

Our research paper focuses on the problem and solutions that can be offered to companies that are facing multi-cultural issues to manage their team. That is why; a qualitative method will be used to collect our findings. We thought qualitative research would be more appropriate for our research since we needed our respondents to be in one category of people (managers and employee from a Indian joint venture) and most of all we needed valuable results and answers. It is a really good opportunity for us and for our research to have the help of Mr V from this French bank. It is a key informat method.

To support our theories, we will have the help of an international French banking institution that have settled in India in Chennai since few years and are ready to give their feedbacks on what problem they have encountered since the beginning of their joint venture with the Indian firm. They would like to stay confidential that is why it is impossible for me to give their name and we will call it French bank for this research and the names of the employees that will be interviewees will be changed.

3.2 Data collection

Due to the fact that it is a qualitative research, we will proceed to 10 interviewees with Indian and French managers from this joint venture of the French bank in Chennai.

End of June in Paris, I will meet the CEO of the French bank that have nicely accepted to meet me in person and that will answer to my questions about the issues that they are facing in their teams. The most relevant problems will be underlined and commented by 9 managers and employees that have accepted to answers to my questions. They have Indian and French employees since it will give us the best data's to analyse the two points of view that might be different.

The main issues we will be focusing about on this research are the communication, hierarchy and working methods. Indeed, it seemed the most important figures to manage a team properly and also because based on our readings, it is the problems that come back often and are important to understand. Moreover, communication is a tool used in all the companies all around the world and hierarchy might be a little more specific about India since they are having many castes hierarchy as we have seen in our literature review.

The questions will be adapted from our meeting with Mr V, the most important problems will be taken. It will be so a structured interviewees for the 9 employees of the French bank and Indian joint venture.

3.3 Participants

I have met 7 of the BNP Paribas employees in Paris at different time. The employees are already aware of the interviewees and the subject of my research but do not know yet the questions so they do not have time to prepare it in advance.

The CEO Mr V, will be on business trip in Paris from the 25th of June, so a meeting have been planned on the 30th of June in Paris before his flight back to Chennai.

Mr V explained me at first during a café with him how worked the joint venture and gave me details that would help me to understand the problems and the reason and that could help me to adapt my questions to their colleagues from what I knew about the joint venture.

We choose different profiles for employees that would be interesting for this research and I asked Mr V in our conversations to give me the name and email address of the employees that correspond to the profiles I was looking for and that were ready to give me some time.

From the employees that have accepted to answer to my interviews, we have 4 team managers, one is Indian and the three other one are French, one person from the human resource department that is French and 5 team members that are mixed in different team, three of them are Indian and two of them are French.

However, after the meetings we were able to meet 7 of them.



CHAPTER 4

DATA ANALYSIS AND FINDINGS

In the BNP Paribas group we can observe 2 types of joint venture. Before we go further in our findings, we need to know and take in account what Mr V has explained since it will have an important measure for this chapter and understand as more as possible the findings we got.

Joint venture minority: Chennai, a service offering for institutional investors in India

Established in November 2008 in Chennai, Sundaram BNP Paribas Fund Services Ltd. is a joint venture between Sundaram Business Services (SBS) and BNP Paribas Securities Services (BP2S). The alliance is 51% owned by SBS and 49% BP2S.

The joint venture offers a range of services for institutional investors in India (fund administration, transfer agency, distribution support fund).

Co direction:

As majority-owned by Sundaram Business Services, the decisions depend on the Indian group. However, there is a Chief Financial Officer BP2S within the DG to control accounts.

Evolution of the relation:

We found some clues that show a positive trend between the two partners namely:

- The CEO Shridhar Iyer of the joint venture reflects the operational success: "The fact that we have achieved transition of almost three million folios with no disruption of services to individual customers and distributors is very fulfilling."
- Recruitment of a hundred employees in the next fiscal year attesting to the growth of the company.

The first covenant allowed the maturing relationships between the BP2S and the Indian group, which will lead to the creation of a second joint venture. We recall that the repetition of alliances between the same partners fosters trust (Gulati, 1995).

Joint venture majority: BNP Paribas Suncaram Global Securities Operations

Established in December 2008, BNP Paribas Sundaram Global Securities Operations is an operational center in Chennai (formerly Madras) 51% owned by BP2S and 49% by Sundaram Business Services. The joint venture was set up and is run by Patrick Vanderbeck.

Co-direction:

- Distribution of Capital

The monitoring process is more difficult to manage when the shares are held equal (Killing, 1982). In our case, BP2S holds 1% more than SBS, which implies that the French bank manages the joint venture. However, unlike the capital was not significant, decision-making must always reach a consensus to ensure that there is a good deal.

Taking formal and informal decision (sources of power)

In the area of human resources, recruitment and training are carried out jointly by BP2S and SBS.

Recruitment: Managers BNP Paribas Sundaram Global Securities Operations are appointed by both BP2S and SBS. Regarding the local team, they are recruited in India thanks to the Indian partner, the group and a local recruiting cabinet.

Formation: The French and Indian managers are working together to conduct training of employees. Jean-François Rase and Subhalakshmi (Subha) Kuppuswamy, respectively head coach of the training center FAMOO Global HUB and coach in the administration of funds in Chennai, work together to Chennai Training Center (CTC) since February 2012. They defined and developed a training center taking into account the requirements for the fund administration post.

The success of an alliance based on the lack of a sense of domination. Although in practice BP2S takes command of the joint venture two decisions are coordinated with the Indian partner.

Control:

Posting of expatriates

Jean-François Rase began working for BP2S in September 2008 in the FAMOO Training Hub. Its tasks were to define and develop a training strategy for all locations BP2S. He was then sent to India temporarily to complete the training plan with his assistant. . We can assume that the expatriation of Rase also used to monitor the progress of the training plan.

Formation and socialisation of the mentors:

BP2S was established in Chennai in 2008 in the midst of crisis, where many Indian employees of competing firms were being fired. BP2S then took the opportunity to recover and retain these employees by sending them to Paris headquarters to give their career prospects by example. Thus, the recruits were first formed by Vanderbeck on site (200 hours total), and have left to deepen their knowledge in all trades BP2S in different European locations BP2S. BP2S Paris, Athens, Frankfurt, Luxembourg, and have received between 1 and 4 months. The new recruits will join the Chennai office once their training is completed, and will train local staff. In addition, Europeans BP2S experts are missioned few months there to help start the hub of Chennai. The goal is to prepare them for the workplace and to socialize BP2S values: respect, teamwork and fun. The first training of 2008 were a success: "All those who worked with them found highly operational, very good standard and were impressed by their enthusiasm, energy and curiosity of mind." Srinidhi, an employee of the joint venture, says: "In one month, a team of five was sent to France to learn, adapt and exploit the processes used in Chennai. We are committed to quickly learn [...] and give the best of ourselves. In addition, it gave me the opportunity to meet leading experts with whom we worked. "

Four years after the launch of the joint venture, a four-week training at CTC was implemented for new recruits in five activities.

Coordination:

- *Learning (environment, tasks, processes, skills, goals)*

Under the center of CTC, Rase and training Kuppuswamy maintained weekly contact by videoconference and email to share best practices, experience and knowledge in training. In addition, several trips between Paris and Chennai were

scheduled to complete the exchange by social networks. The advantage of face to face is the possibility of informal exchanges. Kuppuswamy followed a training assured by Rase in Luxembourg. This trip allowed him to assimilate the best practices and a better understanding of the daily operations of the office of Luxembourg. Rase then moved to Chennai to set up the first training plan.

Trust (cultural diversity and maturity: informal mechanisms).

Michel Laurent, director of global network and strategy BP2S is pleased with the collaboration with Sundaram because in addition to their strong presence in the Indian market, they also share the culture and values of the French bank. In addition, other subsidiaries of BNP Paribas have had partnerships with Sundaram that can boost the confidence of both partners. The chances that they act in the interests of the other are thus higher.

Evolution of the relation:

Thome, head of Mumbai BP2S testament to the success of the joint venture, “BNP Paribas SS has enjoyed a successful relationship with SBS for a few years now, so it was almost an evolutionary move”. Moreover, the Asian hub has 1,000 employees or about 33 times more than five years ago (thirty people in 2008), reflecting the growth of the company.

Comparison between the two joint ventures.

For a joint venture with an Indian partner works well, it is necessary to maintain a balance in the relationship (Goulvestre, 2011). For BP2S and Sundaram, this balance results in a dual partnership in the sense that each of them controls a majority joint venture. The first alliance is 51% owned by Sundaram and the second forming the Asia hub 51% BP2S. Thus, the good agreement of both partners is primarily motivated by their symmetrical control of joint ventures.

The joint venture 1 has the activities to develop local business and provide services to the fund. The share capital BP2S amounting to 49%, is realized by the presence of a Chief Financial Officer in the Directorate General for auditing the accounts. Symmetrically, the joint venture 2 (Asia hub) is led by BP2S because of the

importance of activities and Sundaram appointed Chief Financial Officer for this entity to monitor what is happening at the account level.

So there is a good balance in terms of governance and decision-making, primarily marked by the distribution of the parts. In each of the two joint ventures, there is no ambiguity as to governance because we know who runs the entity. Jean-Marc Pasquet, former head of the Asia Pacific division said: "It's going very well [...] Things are clear from the start. They are very happy because it allows them to have their access to a global company, and we have access to an Indian company strong local reputation. "

Thus, this part has allowed us to understand how BP2S met the challenges posed by the environment to create a hub in line with its strategic vision. We were able to highlight the importance of its partnership with Sundaram, as a key element of successful implementation. . It is indeed to establish a mutual adjustment and thoughtful about various criteria such as control or coordination to build a healthy and lasting relationship. The next step that BP2S will have to face is about human capital, individuals. This step is crucial and is the managing multicultural teams. It is important to manage these teams; it's the performance of the organization. Better understand the impact of cultural values on the practices and ways of communication is the only way to work more effectively across cultures.

Findings of research question

In the case of joint ventures, employees are confronted with several organizational cultures. Indeed, they have not all received the same education, and are not steeped in the same culture. Therefore the challenge is how to make cohabit different organizational cultures (Blanchot, 2006). Sherif performed an experiment that explains the impact of professional cultures and trades on intergroup relations. Any group that is formed will see the emergence of a language group of lived in common activities. These heterogeneous profiles can then lead to the formation of clans. It will establish a culture of informal group, an informal structure beyond the control of the organizers. At the beginning of the collaboration, the two groups are split because they had their own communication habits. In our case, the French and

the Indians have their language group that creates an internal facility and an external difficulty.

Cultural differences may foster negative mutual perceptions, which will in turn lead to conflicts. Doz and Hamel (2000) also emphasize this issue by suggesting that many of alliances, although a complementary profile, eventually dissolve because of their cultural differences.

The challenge is primarily to recognize the origin of intercultural tensions and make recommendations to prevent resistance from employees to work together (Brett, Behfar & Kern, 2006).

According to our results, we can see that 3 managerial issues were often mentioned which is communication; hierarchy and working methods.

4.1 Different expectations and observation during communication challenge

Within an organization interactions between individuals can be made through the completion of specific tasks or through the use of systems coordination (process data, stringent regulation) but the overall dynamics can only be achieved through communication. Communication is essential for the survival of an organization, it helps to regulate industrial relations, interactions between individuals. Indeed, it is a fundamental political aspect of an organization because it contributes to its development and maintenance of relationships between people (Meier, 2006). All communication involves an exchange of signals between transmitter and receiver, as well as the use of a coding / decoding for expressing and interpreting a message (Lambin, 1998). So communication is a process that can be broken down into several steps (Kotler, 1997).

1. The issuer, individual or organization that is responsible for communication
2. Coding, how the issuer will turn ideas into symbolic elements, images, shapes, language (verbal or otherwise)
3. The message (and its media) that is to say, symbolic information and transmitted by the transmitter output through various means of communication
4. Decoding, or process by which the receiver will attach significance and meaning to the message disseminated by the issuer

5. The receiver of communication, that is to say the person or all of the actors to whom the message is intended.
6. The feedback process is the portion of the receiver response (message reaction attitude) which is communicated to the transmitter
7. Distortion, interference and misunderstandings exist and can disrupt the communication process.

The communication process

Cultural barriers can be a source of distortion, interference and misunderstanding. Indeed phases of encoding and decoding of each individual are dependent on their immediate environment and thus its cultural affiliation. Indeed, the culture in which an individual develops regulates its perception and understanding of things.

Thus, intercultural manager must be able to understand and know how to understand the culture in which they work to be able to communicate effectively. Effective communication enables efficiency in working time but also a good working atmosphere.

Intercultural communication corresponds to the consideration of interactions between groups of individuals, identities within a given organization, which will be required to receive and transmit information via a variety of means and techniques that allow diffusion (Meier, 2006).

With regard to our study, most of the elements for understanding the interactions between individuals were cited on cultural barriers. It is essential for a manager to be aware of the specifics of the settlement area, and have a certain historical and socio-cultural knowledge of the area in question. This knowledge can prevent some communication errors, in other words to know certain aspects of the culture of my partner allows me to send him a message more clearly focusing me on aspects that we have in common, or aspects that I could internalize. Moreover, such an approach is an open and non-rejection of the culture of others, which is highly appreciated upon implantation in a country like India.

We have chosen in this section to focus on language. Indeed, language is the primary support of all communications; it can be verbal as nonverbal. It is interesting

to highlight a number of features about the Indian language. Indeed, large linguistic variations can be troubling for managers who may struggle to adapt or lose time to understand how to interpret certain signals. Communication difficulties can indeed create barriers to effective teamwork by reducing the sharing of information, the creation of interpersonal conflict or both.

Regarding verbal language, the obvious barrier that may be highlighted is the mastery of the English language. Although it is the international language in the business world, many misunderstandings and deep frustration may occur during exchanges due to translation problems, control, accent or grammar (Trabelski, 2008).

Regarding the implementation of BP2S in India, the language barrier does not seem to be too difficult. Through discussions and interviews we were able to conduct with some French and Indian employees, we found that the focus was not an insurmountable appearance. "Initially, it is true that it is a little strange. The Indian accent is very strong, especially on the 'r' and then you get used to. Just to establish a relationship of trust where it is shown that one can learn from each other; it is not to judge the speaker but to show him we do our best to establish good communication. I think my French accent has also been embarrassing for my contacts, but in the end the communication and directions were clear and it is understood ", says Ms. Maamouri. Similarly the Indian employees have told us that the French accent seemed to them quite amusing at first, but after a short adjustment period that was to focus on the message rather than on how to make. The key is indeed to provide and receive information, clear instructions. It is for managers to take back enough to not focus on the accent and "Elegance" of their speech.

It is interesting to note that the communication seems easier between nationalities for which English is not their first language. Indeed, a non-English shares some shortcomings with her partner, he then focuses on the message and information to communicate itself while English feel more frustrated and will be particularly marked by its linguistic errors interlocutor. Moreover, this frustration may be the cause of interpersonal conflict and arouse some anxiety among non-bilingual members who will not dare to speak longer. This would be bad for those teams and may strongly constrain the actions of non-bilingual members and thus stifling

innovation, creativity and ideas of these. That's when investing in an international team that is endangered by a simple communicative error (Rosca D, 2010).

For BP2S employees, the most important is to "take your time and ensure the accuracy of the message delivered, because it is worth taking the time off for not having to deal with more serious errors." It is also to establish an environment of trust conducive to questions for expressing his incomprehension and do not see it as a weakness or incompetence, which could be dangerous. Indeed, if this state of trust does not exist, employees are afraid to express their doubts for fear of being judged incompetent and execute what they think the instructions, which can lead to large organizational problems.

Moreover, as verbal communication, body language requires, in intercultural situations, attention, knowledge and specific skills. Gestures, nonverbal behaviours have great significance and it is important to be able to decode them.

Indians never say "No" directly to remain courteous. The categorical "No" speaks with the head via a free rotation left or right with the right hand and arm extended downward and the handshakes from side to side. It is therefore to interpret the unspoken. Another example, Indians often make a nod-of-eight. Western managers can interpret this movement as hesitation as he means, "Yes, I'm listening." It is possible to cite many other examples, such as the fact that folding of the hands is considered arrogant posture or distance to score with his interlocutors especially if they are of opposite sex.

A lack of knowledge of this non-verbal culture can lead to tension and conflict and affect interpersonal relationships.

How to ensure to avoid these distortions and communication problems and improve interpersonal relationships if any?

A good knowledge of Indian culture

This is just a first step to monitor cross-cultural training, to open the mind and to read about the habits and customs of the country. This approach enables fast and easy to have a first degree of apprehension of labour in the country, and provides a solid basis on which the field experience will be built.

Integration

Members of a multicultural team must feel that their ideas and participation are taken into account and they are part of "corporate family." They need to feel fully integrated into the organization. To remove cultural barriers it is important to show the involvement of each and the willingness to share resources and skills to achieve a higher level. Organizational culture is expected to develop a sense of trust between employees, helping them to be motivated to improve their personal skills and be involved in the development of the organization. The role of intercultural manager is to collect and disseminate information, letting employees assess their personal skills.

The speed of integration (Trabelsi, 2008) is the main factor in reducing the cultural gap. Furthermore, this integration is faster, the cultural gap tends to shrink; whereas if the speed is low, the culture gap will have the opportunity to spread, to amplify and generate the disruptive effects of the harmonious functioning of the alliance. "Speed is definitely the best ally for successful integration" (Gosselin, 1987).

4.2 Hierarchy challenges

4.2.A Hierarchy and authority

Facts:

Attitudes to the hierarchy and authority are changing according to organizational cultures. In India, the respect and authority for those are qualities both innate (sex - the man with more power than women, and generational status) and may be reinforced over time by the age is associated with maturity and wisdom. The authority of a person can also increase with degrees and professional qualifications. Generally, those who have the most power get what they want and are the ones who are responsible for negotiating business. The hierarchy and authority of the actors heavily influence Indian business culture. For example, each employee has a superior it is to meet at best, but cannot, however, turn to his superior $N + 2$ because it has little autonomy and must stick to its trade with $N + 1$. Another example to show the hierarchy marked in Indian business, is the fact that the subordinate never come home from work before their superior although they have completed their tasks, and, in respect to their superior. Employees therefore have very little autonomy in the

organization of work, in the sense that decisions are routinely given by a bureaucracy. Employee N is for example having to comply with orders of the N + 1, which in turn those of the N + 2, etc. In addition, the report to the hierarchy that the Indians still tends to relate to each caste or social status. Thus, expatriates must prepare for Indian personal questions that attempt to identify their social class.

Risks:

The team members are from different cultures, the risk is that they were used to being treated differently and may lose their bearings in this new structure. Furthermore, there may be a blockage in the coordination of the team because Westerners have a corporate culture marked by less social stratification. The Indians are very friendly indeed their superiors so that subordinates do not give advice if the superior does not share it. This difference in vision can cause a blockage for Westerners who tend to delegate and make quick decisions without going through a series of intermediaries. It's hard to change habits if they are rooted in a political culture. For example, Western leaders have difficulty ensuring that each employee goes to his colleagues by their first names regardless of their hierarchical position. A young Indian employee demonstrates his reluctance to call his superior by his first name: "He has the same age as my father." The Indians will therefore call their superiors as "sir" or "madam". Working in a structure where several visions of hierarchy and authority are facing, can be difficult to coordinate and prevent optimal efficiency of the team.

Recommendations:

Many authors specialize in managing multicultural teams recommend that team members to recognize cultural differences and adapt the practices and behaviours of the Indians without making drastic changes. For example, when making decisions, it is important to think about and to do it in advance to anticipate the slow pace of Indian bureaucracy and get results faster. Furthermore, expatriates must be respectful of Indians and Indian culture which

implies also pay attention to the phrasing, which can be socially accepted by the French but not the Indians. It should especially be careful that one is for people of higher rank, to seniors, and those who have power. It is also recommended to stay humble, especially if we start in professional life as the young in India have little power. Finally, it is always appreciated that expats speak English for the Indians who speak the language are part of high society. The only two requirements to implement these recommendations is that the team members agree to recognize cultural differences and they volunteer in the search for a compromise in the working methods.

Moreover, hiring employees is a way to keep a balance between the castes in India. If there are too many people of the same caste, it may be dominance and problem management teams. BP2S has realized through the experiences of other foreign groups that have experienced a failure in the implementation in India. A major reason was the negligence of Indian culture. Not having managed the issue of caste, they lost control of the team and had to send expatriates who have taken the situation in hand. BP2S therefore seeks to keep social balance by taking steps to recruit with the help of Sundaram. This solution has been successful as evidenced by an expatriate arrival in Chennai in 2011: "Before I went to Chennai, I had heard of castes. [...] But once there, I did not feel very marked social differences between the Indians".

4.2.B Leadership (Management style)

Facts:

According to Cappelli, Singh, Singh & Useem (2010), the Indian leadership is characterized by its paternalistic and charismatic side.

Paternalistic:

According to Iribarne (1998), the Indian leader is characterized by its intuitive understanding of the behavior of its employees. It would act as a parent or a king of the past where the association with the Indian leader paternalism. It does not have a negative connotation as might appear in some Western cultures. Indeed, many Indian calls for a paternalistic leader and the expected relationship is that of a father (Sinha, 2004).

Risks:

Indian leadership style is very different from that of the West. According to a survey by Cappelli, Singh, Singh & Useem (2010), Indians pay more attention to human resources to shareholders. The order of priority is as follows (Cappelli, Singh, Singh & Useem, 2010):

- a. Chief input for business strategy
- b. Keeper of organizational culture
- c. Guide, teacher, or role model for employees
- d. Representative of owner and investor interests

Explanations:

The reason can be explained by the predominance of the family in everyday life and in professional life. Most Indian companies are family Sundaram is an example. This has a socio-cultural background, the Indians live in extended family, that is to say, several generations live together, eat and cooperate under the same roof. The family reinforces the sense of dependence on relatives and the feeling of belonging to a group. This is why a manager should have a welfare mind and knows refer people with whom he works or participate in non-business activities such as family celebrations to show his paternal side.

Finally, another factor of influence is Mahatma Gandhi, the iconic figure of India. Like Gandhi, the charismatic leader is a speaker who has a social mission in which he believes. It has the ability to influence people with his charisma and the confidence he exudes. Moreover, the Indian manager leading the Indians by example, and always makes available to its employees while keeping in mind the mission that he has undertaken.

4.3 Working methods**4.3.A Decision making and negotiation****Facts:**

Decision-making and ways to negotiate differ across cultures. They may, for example, be individual or collective, be done quickly in one session or otherwise

require several meetings. In the Indian company, the decision making process is extremely slow.

If the foreigner has a product for example, the Indians will try to understand why this product is better than another by asking very technical questions, which can lead to lengthy negotiations. In some cases, after the second meeting, no decision is taken and discussions are repeated. For negotiation to be successful, each of these specialists must be satisfied. These were seeking to be recognized in their field of expertise (Scholz, 2008).

Risks:

The way to handle the negotiations may have a negative impact on the effectiveness of the team and their mutual perceptions (Chevrier, 2008). On the one hand, reaching consensus may be difficult if both parties do not have the same notion of the verb to agree, since this shift then may slow the decision making process (Meier, 2006). On the other hand, collaborative environment may be affected if the French employee fails to the Indians questioning. Expatriates can indeed stand back if he feels attacked by repetitive questions and will be judged incompetent by the Indians for his answers will be increasingly partial after several meetings. Westerners who will perceive their slowness and repetitiveness as a waste of time, on the other hand can also perceive the Indians, as incompetent. So there may be conflicts of objectives and interests (Meier, 2006).

Explanations:

The first is due to Indian philosophy dictated by Dharma which includes the rules of conduct of a good citizen. This pushes the Indians to always excel, give the best of themselves according to their place in society. This way of looking at things has two consequences. One is creative and perfectionist Indians, they always wanted to aim higher, will be rigorous in their arguments, the other is the risk of a blockage of the partner, facing a negotiating process that seems s 'forever because of unfulfilled expectations of the Indians.

The second explanation stays in the relative part of Indians individualism. Used to live in a cocoon and rub their respective castes (social hierarchy included in Indian customs), Indians sometimes find it difficult to integrate and build relationships with other groups of individuals, each caste having his own prejudices on others. This way of living is not without repercussions in the workplace. When taking decisions, there may be a highly qualified individual cannot impose its legitimacy because of his low social class, because the place in society of an Indian is more important than professional skills in judgments values. Therefore, negotiation is hampered by difficulties in reaching a consensus. According to Kumar (2005), Indians generally have difficulty cooperating together. If you ask two competent Indians and having a good argument from two different castes, they will never be able to agree, says a Swiss manager.

Recommendations:

The best way out is to make concessions and meet or adapt to another trading approach. As for the more impatient responsible, they can approach the Indians after the meeting and ask them what their motivations and what they expect of negotiation to get a better understanding of trading. After two meetings, eg they can agree on a deadline for making a decision. The key is to win the confidence of the Indians by showing them that the relationship is in a long-term context and that cases are not punctual.

Another way to advance the negotiation is to go directly to the head. This will allow the Western negotiator to save time by avoiding going through several levels of the Indian hierarchy, and enduring intense negotiations with Indian specialists. So it is good to know who makes the final decision. Generally, it is the head of the family because 80% of Indian companies are still family and the decision process is still highly centralized (Karkun, Belhoste & Fernandez, 2008).

4.3.B Conception of time/ lax

Facts:

In India, they have a corporate culture more lax than the French that is explained mainly by the conception of time of the Indians. This view of temporal space affects everyday life and business that may confuse foreign partners. Indeed, they are constantly in uncertainty, and should expect non-compliance schedules of Indians, or deprogramming a meeting at the last minute. Being late for a meeting is socially accepted among the Indians, but is not allowed for foreigners. Finally, expatriates must also cope with the slowness of the bureaucracy, or time to negotiate.

Risks:

There may be a misunderstanding of expatriates face this lifestyle. Of preconceptions about the lack of professionalism or respect for Indians may arise. The Indians have not won the trust of French, they will be more reluctant to collaborate with their Indian peers and tend to withdraw into themselves thus strengthening the French-Indian clans. Coordinating team then may be affected.

Recommendations:

The French must undergo cultural training to learn how to manage their patience and especially understanding of Indian history and thus adjust to their philosophy. Without knowledge of Hindu philosophy, the French may interpret the behaviour of a Western Indian judgment. If they are aware of the origins of the particular behaviour of the Indians, they will find it easier to accept. They can for example change the way they work and provide for appointment two weeks in advance and reconfirmed two days before leaving again their contact information. It is indeed important to leave written instructions or its request to be sure to have a back trace. In cases where Indians make phone reminders for clarification is that business is good.

4.3.C Collectivism/ Individualism

Facts:

Unlike the French, Indians tend to be collectivist. Research shows that in relationships marked by communalism, like the Indians, there is a concern for the group's interest and selfless spirit of mutual aid (Perlow & Weeks, 2001). In contrast, in an individualistic group, the group will act on the principle of give (Clark & Mills,

1993). Indian business culture is marked by a very high value of mutual aid. For example, the Indians did not hesitate to interrupt their work to help their colleagues or those of other units. Furthermore, sharing is also a core value of Indian culture. It is therefore common that an Indian colleague did not hesitate to get into our office without knocking to ask us any information or borrow our equipment without necessarily asking permission because sharing is obvious.

Risks:

These differences in values may create tension or blockages between the two groups have different ways of working. It will, for example have on one side expatriates who do not wish to be interrupted to better focus on their tasks, while the Indians will not hesitate to use their French or Indian colleagues in case of problems.

Recommendations:

The company BP2S may propose an intercultural training of French managers to Indian culture by scenarios such as before the expatriation; and in fact, managers have not received it. This training would have been beneficial, however they take a step back from the behaviour of their partners and thus facilitate their adjustment. Once there, the leaders of the international team can organize activities outside the workplace such as team building to socialize the group. These activities aim to group cohesion.

We can conclude that there is no better solution to resolve intercultural conflicts. It depends on the type of conflict, if it relates to communication, hierarchy or working methods. The most important is to identify the conflict and then making appropriate recommendations. Note that the adaptation of employees is the least expensive and most widely used by the international team managers strategy because employees learn for themselves to solve their problems. This is how to manage the differences that led to a creative and productive dynamic or paralysis due to inability to make joint decisions (Chevrier,2008).

If intercultural management is effective, it allows the firm to reap the benefits of an international team that are multiple. First, cultural diversity frees more ideas

than homogeneous group or increase the capacity for innovation in terms of working methods (Adler, 1994).



CHAPTER 5

CONCLUSION, DISCUSSION AND RECOMMENDATIONS

This chapter contains the summary results of this study titled “Managing multicultural teams in joint venture in India”. Also, the last chapter of this study consists all information that researcher has gathered, analysed and organized in previous chapters.

5.1 Conclusion

Indeed a study of the history of the group used to highlight the use of internationalization as a growth and development, it has also helped develop some expertise but also to establish a base strong in many parts of the world. Another factor highlighted is his incredible knowledge and mastery of mergers and acquisitions.

This element seemed important because, first let us understand that the choices reflected in terms of acquisitions it possible to give the group a special status and secondly they allow to highlight its expertise in managing and unification of different corporate culture. Thus, such a skill can only be brought to light as part of a settlement.

We have seen the influence of organizational culture that includes the corporate culture, business and political organizational behaviour. Each with a way to interact, a notion of hierarchy and methods of specific work to coexist several cultures present a challenge. India being a country with a socio-cultural contrast to the West, it was appropriate to analyse these three themes found in everyday business, presenting challenges this could present and explaining Indians organizational behaviour.

The idea was first, anticipate these differences and prepare mentally employees prior to their departure, and secondly, to accustom employees already on site working methods and how to interact with Indians proposing measures to enhance cohesion and team spirit.

5.2 Implications and recommendations

Object of this research was to find out what kind of challenges cross culture environment can bring up, why different cultural dimension has cause the problem. Cross culture management is becoming more and more common in companies and it is problems that are very frequent. This study is mainly focusing on the case of BNP Paribas in India and to question how to overcome and understand the multicultural challenges.

Recommendations to managers are to be transparent and gain the trust of Indian employees. They need to adapt and accept the culture since it is the fastest way to be a good manager overseas. By being culturally aware, open-minded, adapt and accept that people in a different culture behave and think differently, can be the way to avoid most of the challenges.

Moreover, average Indian employees can be unorganized, not have the same conception of time and understanding in the tasks there are supposed to do. Therefore, managers need to know what to do and how to react and at the same time managers need to be polite and patient since it is a very different way of working.

5.3 Limitations

There are limitations in every research. In the case of our research, we have to keep in mind that it is a case study, enforced by papers and literature reviews which means that the problems they have encountered in their joint venture might not be equal in another one. Even if, we have spoken about the frequent ones and the more obvious that can lead to a failure.

There might also not tell the whole truth to the interviewer, because the employee wants to give a positive picture of situations. There was also a possibility that interviewee was reluctant to share sensitive information about the company. That is why the names of the employees that have answer our questions are not cited.

Also, India is a very specific country with many cultures, so it could be interesting to extend our research to different countries.

5.4 Suggestions for further study

We needed more testimonials and more information about the structure of Asia hub. For example, we would have liked to have access to the chart to see what percentage of Indians expatriates to senior management and operational levels, and secondly to study the course of these employees. Have they worked in India? Abroad? Taking into account the history of these individuals is important in understanding their organizational behaviour because a manager who has worked abroad or in India, will find it easier to adapt and can therefore share its experience. Another limitation that we have raised in this research is that we do not specify who is responsible for intercultural training. We would have liked to investigate the role of manager of multicultural team.

After studying the case of a multinational company, it might be interesting to consider the case of SMEs and foreign start-ups wanting to establish themselves in India. Not covered by the same means and the same resources, it is a priori more difficult and longer than for a multinational and much riskier course. Nevertheless, the market opportunities in India surely worth a try.

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APPENDIX A
ANNEXES

ANNEXES

- What are your roles in the joint venture?
- Since when are you in India?
- What are the most difficulties encountered with French or Indians?
- Were you well prepared for these cultural differences?
- Do you think communication is an issue for you and your work?
- If you should choose 3 main problems with multicultural teams what would it be?
- Do you adapt the way you work since you are here?
- Is it your first time abroad?

Interviewee 1	Interviewee 2	Interviewee 3	Interviewee 4
Male, Indian, Team managers.	Male, French, team managers.	Male, French, team managers.	Female, French, Team manager.
Misunderstandings for communication, cultures intermediaries for hierarchy, no corporate culture are a problem for working methods.	Integration is a problem for communication, caste in hierarchy hard to handle, and need several meetings for decision.	Indian don't say no and hard to know if they understand or not, very little autonomy and always ask what to do or not. No decision by themselves.	Certain signals are hard to detect in communication, and sex power is very strong in hierarchy. Hard to give order and be respected sometimes due to the sex.

ANNEXES (CONT.)

<p>Interviewee 5 Female, French, HR manager. Non verbal communication differences can be difficult to understand, Indians have no consistency in term of being on time for meetings or to work.</p>	<p>Interviewee 6, Male, Indian, team member Integration can be hard with French and there are a lot of cultures intermediaries that can be hard to understand at a first point.</p>	<p>Interviewee 7 Male, Team member, French English language can be complicated for French and understand their accent and slang. Effectiveness of the team is also an obstacles in the working methods?</p>
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BIOGRAPHY

NAME: Lucy Berloty

DATE OF BIRTH: 27 April 1992

EDUCATION

BACHELOR DEGREE Bachelor in International Business Management.
2013 ESCEM Tours Poitiers

MASTER DEGREE MBA in Business Administration
2014 Stamford International University

NATIONALITY French

HOME ADDRESS 2 route de Chenu
72500 La Bruere Sur Loir
FRANCE

EMAIL ADDRESS lucyberloty@gmail.com