SYNERGY-SEEKING VERSUS DISTINCTION-DRAWING: PROCESSES OF INTEGRATION AND DIFFERENTIATION IN A JAPANESE-DUTCH TAKEOVER PROCESS

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Abstract

Purpose The study presented in this paper describes how a division of a Dutch organization first becomes independent and is subsequently acquired by a Japanese organization. It portrays the integration process as a political struggle for power, status, identity, and autonomy. In studying the role of cultural and socio-political processes in transnational organizations, during and after the acquisition and integration process, particular attention is paid to the ways in which managers at the technology division of Mirai Corporation make sense of their transnational work experiences, a decade after the acquisition.

Design The study has been carried out from an interpretive/constructivist research approach and is based on a 12-month ethnographic case study of a Japanese business group in the technology-oriented manufacturing industry, which is called Mirai Corporation (a pseudonym). In closely examining interviews, observational and documentary material, I explore how Japanese and Dutch top managers discursively construct their own and others' cultural identities and how these can be placed against the political processes that are taking place in the technology division.

Findings The findings illustrate how the culture discourse is used both to create interdependency and to signify difference. Regarding the latter, the study shows how cultural identities and boundaries are discursively constructed and enacted in order to serve social struggles over power, autonomy and resistance. Here, organizational actors actively use the culture discourse to direct the course of the organizational changes. It is therefore suggested that cultural identities do not carry a pre-given meaning that people passively enact, as is sometimes assumed, but rather as social constructs, talked into existence by organizational actors within particular social contexts.

Research limitations/implications Awareness of the organizational and political context in which transnational collaborations take place is regarded essential for understanding how organizational actors attribute meaning to their transnational work experiences and the role 'culture' plays herein. The research complements and further develops the stream of interpretive research in CCM by showing its relevance for investigating processes of cultural identity formation in a period of organizational integration.

One limitation of the study is its focus on a single case, which is not characteristic of all transnational acquisitions and management teams. This limitation notwithstanding, the study does contribute to furthering theoretical insights.

Originality/value of the paper The study contributes to the CCM and integration management literature by illustrating the relevance of discursive processes of cultural identity construction in the context of post-acquisition integration, economic insecurity and unstable power relations.

Keywords: Culture, Discourse, Identity, Japan, Netherlands, Power, Transnational collaboration

CULTURAL ASPECTS OF CROSS-BORDER COOPERATION:
Cometences and Capabilities

It's impressive in a way. I like to work with foreign colleagues and foreign customers. But sometimes it's difficult [person starts laughing]. It's challenging, yes. [The] plan is quite different... Dutch colleagues and Dutch customers are quite different.

This Japanese manager hints at a difficulty many organizational actors experience today: encountering cultural differences in collaborating with foreign colleagues and customers. For many this experience can be 'impressive', 'difficult' and 'challenging'. In fact, Søderberg and Holden (2002: 104-105) contend that cross-cultural encounters are the primary challenge for transnationally operating organizations today: no manager '… can escape from the possibility of misjudgement, misperception and mistakes in handling the complexity of cultural relationships with customers, suppliers and stakeholders'. Björkman et al. (2010) have recently underlined the need for furthering our understanding of the various culture- and identity-related problems and challenges in transnational collaborations. They particularly point out that researchers should focus on close collaboration in transnational work teams. The ethnographic study presented in this thesis investigates a case of transnational collaboration between a Japanese and a Dutch subsidiary management team of a Japanese TNE that are in a process of organizational integration. It aims to shed light on cultural identity processes and their enactments by systematically analyzing how organizational actors interpret and make sense of their transnational work experiences and discursively construct their own and others' cultural identities.

Organizational globalization is promoted by those who claim that transnational collaboration and cultural diversity contributes positively to organizational performance; stimulating innovation, creativity, and improved problem-solving capacities. Clearly, these are all valuable assets in a global knowledge economy. Yet, the question is whether globalization is indeed a smooth and successful widening of contacts, connections, and identifications across the globe. The evidence drawn from organization studies suggests this process is not that simple or unproblematic. In fact, the majority of cross-border collaborative forms, such as global mergers and acquisitions (M&As) run into difficulties or even lead to outright failure (Phatak, Bhagat & Kashlak, 2009: 229; Child et al., 2001). Apparently, working in a global setting brings along unforeseen risks and problems, and hence, many transnational collaborative forms end up being terminated.

Several scholars have argued that the success or failure of these global M&As is strongly related to contextual factors and the applied strategy to integrate and streamline the acquired or merged organization with the cultural norms and values, structures, systems and strategies of the new partner or parent company (e.g. Dauber, 2011; Froese & Goeritz, 2007; Vaara, 2003). Here, cultural identity processes and processes of power and politics would play a major role (Ailon-Souday & Kunda, 2003; Vaara, Tienaari & Säntti, 2003). Transnational collaboration thus seems to rests on the management of mutual interests, political issues and processes of sensemaking (Van Marrewijk, 2004; Ybema & Byun, 2009). This directs attention towards the dynamics of cultural identity formation processes and the role power and organizational politics may play in the discursive enactment of culture and cultural differences, conceptualized as 'mutable, negotiated, and infused with contestation and power relations' (Jack et al., 2008: 875).

The research presented in this paper is based on a 12-month ethnographic case study, conducted in a division of a Japanese business group in the technology-oriented manufacturing industry, which I will call Mirai Corporation (a pseudonym). I will address the following research question: 'How do organizational actors make sense of their transnational work experiences and discursively construct their own and others' cultural

identities, in view of a process of organizational integration? With this research, I aim to extend our understanding of the role of cultural identities and processes of power in the context of organizational integration. In the following section, I will set out the theoretical argument in more detail, after which I will describe the research setting, the applied methodology and method of analysis. Research findings will then be presented. I will conclude with a discussion of the findings and the insights an interpretive approach to culture research in the context of post-acquisition integration can offer.

An interpretive approach to the role of 'culture' in post-acquisition integration

For organizations that plan to operate on a global scale, mergers and acquisitions (M&As) have become a popular growth strategy (Bartlett et al., 2008; Dauber, 2011; Hitt et al., 2001). Attention for organizational change processes following M&As started in the 1980s with the finding that what happens after a merger or acquisition is important for understanding whether or not intended synergistic benefits and added value have been realized (Vaara, 2003). Especially when it concerns the proper management of non-financial factors like human, cultural or socio-political barriers to integration, often-unforeseen problems occur (Birkinshaw et al., 2000; Bjorkman et al., 2007; Dauber & Fink, 2011; Froese & Goeritz, 2007; Greenwood et al., 1994; Seo & Hill., 2005; Stahl & Voigt, 2008; Vaara, 2000; 2003). Although the 'people' or 'soft' side of post-acquisition integration is usually given little attention or left completely unmanaged, several scholars have started to stress its importance. Several scholars have also started looking at integration processes through a cultural lens. Here cultural differences are often viewed as creating strong impediments to organizational integration (Brannen & Peterson, 2009; Brock, 2005; Norburn & Schoenberg, 1994; Palich & Gomez-Mejia, 1999; Reus & Lamont, 2009).

One criticism on this field of research is its dominant realist/positivist ontological and epistemological stance towards culture. In the broader field of international and cross-cultural management, a variety of scholars have recently argued for a critical re-thinking of the theoretical, conceptual, and epistemological foundations that currently predominate research in the field (Søderberg & Holden, 2002; Jack et al., 2008; Ailon, 2008; Primecz et al., 2009). A second criticism concerns that, although several integration scholars do mention the political dimension of cultural integration (e.g. Grunberg, 1981; Haspeslagh & Jemison, 1991; Jons, Froese & Pak, 2007; Olie, 1994; Larsson & Lubatkin, 2001), generally little attention is given to the role of power, political conflicts and resistance in transnational organizations and collaborations (Dorrenbacher & Geppert, 2006; Vaara, 2000; 2003). For instance, Mense-Petermann (2005) has highlighted that integration conflicts may be labelled in either political or intercultural terms, depending on which party is leading the integration process. In addition, Vaara (2000; 2003) found that in the integration process, cultural conceptions are manipulated actively and purposefully for more or less legitimate purposes. Therefore, we should take the politics involved in post-acquisition integration change processes seriously. Since we still do not know much about processes of cultural identity construction and the role of power and politics, a detailed understanding of the cultural and socio-political aspects of post-acquisition integration process is regarded relevant.

A small group of interpretive scholars has taken up this advice and directed attention towards the dynamics of cultural identity talk and its embeddedness in social, economic and political processes, illustrating the socially situated and strategic use of culture in interaction (Ailon-Souday & Kunda, 2003; Barinaga, 2007; Brannen & Salk, 2000; Olie, 1994; Dahler-Larssen, 1997; Koot, 1997; Ybema & Byun, 2009). For instance, Barinaga (2007) shows how organizational actors discursively construct cultural identities in intercultural encounters, which are actively used for specific purposes. Ybema and Byun

(2009) also pay attention to the importance of the actor in establishing cultural boundaries between individuals and groups, showing how individuals discursively construct cultural boundaries between the self and the other, legitimizing or challenging existing relations of power, status and authority. These scholars suggest that cultural identities do not carry a pre-given meaning that people passively enact, as is sometimes assumed (e.g. Hofstede, 1980, 2001) but rather as social constructs, talked into existence by organizational actors within particular social contexts. Cultural identities are thus viewed as discursively constructed in the way actors talk about themselves and others; discursive practices which are embedded in processes of power and politics.

Vaara (2003) has highlighted that in case of global acquisitions, national cultural backgrounds are likely to play parts in uniting and dividing managers as organizational actors may be inclined to interpret integration issues in nationalistic terms (see also Calori et al., 1994; Olie, 1994; Very et al., 1997). As such, the construction of cultural difference is grounded in processes of identity construction and organizational politics: individuals discursively construct sameness and difference by emphasizing the particular cultural characteristics that appear important to base this sameness or difference on. This paper contributes to this stream of research by adopting an interpretive perspective on post-acquisition integration and focussing on the cultural and socio-political processes by which organizational actors make sense of and enact cultural differences, in view of the organizational change project that is taking place.

To conclude, the review of the literature shows the relevance of an interpretive and power-sensitive understanding of cultural identities and differences, in processes of post-acquisition integration. In order to illustrate how this approach can enrich and contribute to improved insights, I will analyze how the managers in technology division of Mirai Corporation talk about their own and others' cultural identities.

Methodology and approach to analysis

The setting: Mirai Corporation
This study concerns a Japanese TNE, named *Mirai Corporation*, which has its headquarter and most of its subsidiaries located in Japan but also several subsidiaries in Asia, the United States and Europe. Due to confidentiality agreements on securing the identity of the organization and its employees all names of respondents and key characteristics of the organization have been anonymized. The name Mirai Corporation therefore is a pseudonym.

The case described in this paper concerns transnatioanl collaboration at top-management level in one division of Mirai Corporation, which is named *Mirai Technologies*. As a research site, this division is particularly interesting because of its history and characteristics; the Dutch subsidiary, *Mirai Netherlands*, takes a unique position within the division and the power dynamics between the the Japanese and Dutch subsidiaries are rather complex. This research site is also interesting for other reasons. Whereas traditional cultural models would predict low success rates of collaborations between the two cultures (in this case Japanese and Dutch), this particular acquisition is generally viewed as successful. Next to this, the integration literature tends to assume the integration process starts right after the deal has been closed. However, the board of Mirai Corporation decided to integrate and align Mirai Netherlands with its Japanese counterpart, *Mirai Solutions Japan* (MiSo), a decade after the acquisition. The period in-between, the Japanese and Dutch subsidiaries operated relatively independent from one another. As such, the integration project marks a critical turn in the organization's history. Since we do not know much about the integration outcomes under these circumstances,

this case might provide us interesting insights. The study of top managers' sensemaking practices of transnational collaborations, is important since their actions directly affect the course of these organizational processes (Vaara, 2003). In the context of organizational integration, these managers face the paradoxical dilemma that they are supposed to manage the cultural integration process while, at the same time, they also try to make sense of culturally related differences themselves. I will now continue with describing the applied research methodology.

Research methodology
The findings presented in this paper are part of a larger research project on transnational collaboration, for which I conducted fieldwork in Mirai Corporation between September 2009 and September 2010. The case on the integration project included 15 participants (all male) of which six persons had a Japanese nationality, eight persons had a Dutch nationality and one person had a Belgian nationality. Of these people, six worked at MiSo and nine worked at Mirai Netherlands. All participants were managers (ranging from junior manager to executive level) and worked together with people with different cultural backgrounds on a daily basis. In the first part of the fieldwork period, the primary focus was on studying transnational collaborations between Japanese and Dutch employees at Mirai Netherlands. In the second part of the research project, I focussed on investigating the Japanese point of view on the collaboration. For this purpose, I collected data in Japan during a four-week stay in April 2010.

At the start of the interviews, I explained the purpose of the research project, why I invited the interviewee for an interview, where the interview would be about, and the conditions of the interviews. The interviews were semi-structured and contained questions about the interviewee's personal and work background, experiences regarding working with people from different cultural backgrounds and (culturally related) differences in ways of working. Instead of answering a set of questions on pre-defined topics, I encouraged the interviewees to come up with issues themselves and to tell their own stories and experiences regarding the acquisition and their transnational work experiences. As such, the interview approach can be regarded as storytelling (Gabriel, 2000). The interview usually ended with some questions regarding the development of a training program on transnational collaboration and whether the interviewee thought such a training program would be beneficial or not. The duration of the interviews ranged from 1 hour to 2.5 hours. The interviews with Dutch individuals (and one Belgian) were held in Dutch, while the interviews with Japanese individuals were held in English. Although all interviews were recorded, I also made manual notes during the interviews. The recorded interviews were either completely or partially transcribed at a later stage.

Next to interviews, I observed managers' daily working activities, as well as audit meetings, video conferences, project team meetings and training sessions. Together with observations in more informal settings like coffee breaks, lunch breaks, and after-work drinks, this gave me a sense of the everyday working lives of research participants. The data obtained through documentary analysis served as input for, to supplement, and to support the data obtained by other research methods (Blau, 1968: 4; Thomas, 1993: 89).

The method of analysis can be described as discourse analysis. By closely examining interviews, observational and documentary material, I explored how Japanese and Dutch managers at Mirai Corporation made sense of and attributed meaning to their transnational work experiences and discursively construct their own and other's cultural identities. Preceding the analysis, all interview transcripts and fieldnotes have been transcribed. By reading and rereading the data several times, the data was coded and categorised into different themes. For this process, I made use of the qualitative data

software Atlas ti. In the analytical process of moving back and forth between the analysis of meaning construction at the individual level and a more abstract level of interpretation of socio-cultural phenomena at the organizational level (Clausen, 2004), I gradually gained a grounded understanding.

The run-up towards the acquisition: a short history
Mirai Corporation was founded in the first half of the twentieth century in Japan and is active in the technology-oriented manufacturing industry. In order to strategically globalize and expand its various businesses, Mirai started to establish a number of strategic partnerships and acquisitions from the late twentieth century onwards. Originally being a smaller player in the market, Mirai wanted to expand globally, which could be realized by investments in new product development or a foreign takeover. Since the latter option seemed to have a better outlook, Mirai decided to pursue this strategy. Hence, at the turn of the twentieth century, Mirai Corporation decided to acquire a Dutch company, Filco *NL*. This acquisition made the technology division, named *Mirai Technologies*, one of the biggest of Mirai Corporation.

Filco NL started its business in the early 1920s under *Nuca*. Due to accumulating production and sales issues, production costs snowballed and therefore Nuca decided to privatize this division, which became named Filco NL. The managers of Filco NL initially expected that the privatization would turn out positively, providing them with new opportunities. Unfortunately, the agency, which had bought a major percent stake in the company, had a strict investment regime and the goals appeared not to run parallel: while business was going well, and the managers at Filco NL developed plans to expand production capacity, the agency did not approve of them. They wanted to make money with selling Filco NL, not with selling the products they made. Hence, it came as no surprise that at the turn of the twentieth century, when Filco NL had become a huge success, the investment agency decided to sell Filco NL to Mirai Corporation.

The acquisition by Mirai Corporation, marking a second critical turn in Filco's history, was received with mixed feelings. On the one hand, Mirai Corporation was willing to make the necessary financial investments. On the other hand, people were also reserved: employees questioned whether Mirai was a suitable partner since Mirai had experienced the same problems as they had. Therefore, people wondered if it would not go just as with Nuca in the past. Nevertheless, since Mirai Corporation had expressed its willingness to let the company grow and to invest in the expansion plans, people at Filco NL (which was now named *Mirai Netherlands*) were content with the takeover. After the many disappointments, the Japanese were more than welcome. Therefore, speaking in 'managerial' terms, the acquisition was viewed as a win-win situation, characterized by mutual interests and interdependency. In documentation about the company's history, the acquisition was described as 'a unique and enduring marriage, built upon mutual understanding and shared optimism'. Figure one provides a schematic overview of how Mirai Corporation, MiSo and Mirai Netherlands are related to one another.
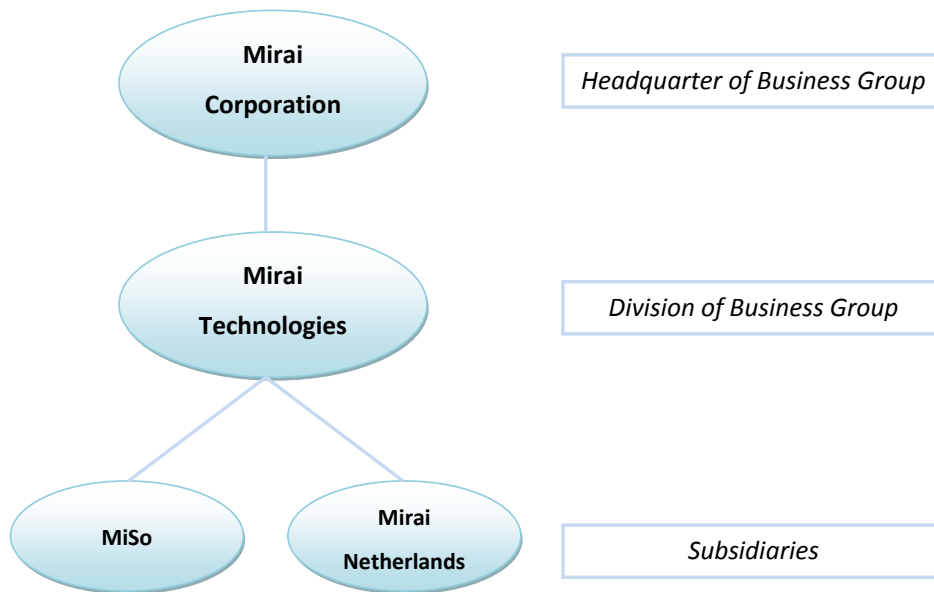
Figure 1: Company structure Mirai Corporation, MiSo and Mirai Netherlands

The post-acquisition period: a 'voyage of discovery'
Despite this 'shared optimism', the period following the acquisition was rather turbulent. Mirai made a very an unusual decision: whereas in other foreign acquisitions they had replaced the entire subsidiary management team by a Japanese one, they now decided to keep the Dutch management team in position. This made Mirai Netherlands the only foreign subsidiary of Mirai Corporation with a non-Japanese management team. This period was also characterized by a group of Japanese expats coming to the Netherlands that started to investigate the acquired company, manage the expansion project and assess possibilities for synergies. In the interviews, both the Japanese and Dutch managers gave retrospective accounts about how they experienced this post-acquisition period, of which examples are given in box one.

One Dutch manager mentions that the Japanese were initially seen as 'checkers', working at 'police sites', indicating that the Japanese were not immediately trusted by the Dutch. The Dutch employees did not understand the conversations the Japanese expats had with each other, which made them suspicious. Furthermore, the Japanese tendency to ask many detailed questions in order to understand the acquired company and create trust with the Dutch was something the Dutch managers were not used to. One of the Japanese managers who came to the Netherlands after the acquisition mentions that 'in the beginning it's a kind of fighting always'. Here, this person refers to the struggles he had with understanding and working together with the Dutch. He also mentions the Japanese tendency to ask for much clarification or detailed questions in order to reduce uncertainty and create trust. It is suggested here that the trust-building process works rather differently.

Besides establishing trust, the Japanese expats also started to investigate ways to establish synergies and to improve the production plants of Mirai Netherlands. One of the things that the Japanese took over from the Dutch was project-based work. The managers at MiSo recall the willingness of the Dutch to adapt and adjust to the Japanese/Mirai way. For instance, regarding reporting of business plans, the Japanese were very surprised to find out that the Dutch managers were not used to work with Excel and PowerPoint. One of the Dutch managers at Mirai Netherlands mentions that 'this was also a very special period since Mirai Corporation and Nuca/Filco NL had been competitors for years and now

they were one company, they could see how both parties had approached the development process and hence, they learned a lot from each other. In fields like production and research and development (R&D), the technical knowledge provided a shared language for the two nationalities.

However, the Dutch managers also point out that the Japanese turned out to have little to add to the way Dutch production was organized and were unable to solve the problems encountered at that time. This made them realize that regarding research and technology, they were ahead of the Japanese.

Box 1: Talk about the post-acquisition process		
	Japanese managers	**Dutch managers**
Establishing trust	… as you know, in the beginning it's a kind of fighting always. (…) I tried to come here [Mirai Netherlands] many times with Dutch people, to try to understand completely each other. But impression is, as you can imagine easily, always Japanese people like to clarify this and that, even if there's uncertainty there. (…) In the beginning, we didn't know each other so uncertainty is much, much bigger than today.	Well, to constantly justify yourself and to explain and build up trust… Like 'guys it will be allright'. (…) Well, eventually we got through that [process] well, and a lot of trust came. But that [process] was quite difficult. (…) They ask for so many details… concerning content, before trust can arise. We came through that phase, but that made my job at that time quite hard.
Seeking synergy & exchanging best practices	Probably this is the case that Mirai was behind. The way is project based working, PBW. (…) These days project based working, it is very popular [but] ten years ago it was not so frequent, it was not so popular. So, for me it was very fresh. So, I learned a lot from people and way of working of Nuca, or Filco NL. (…) We started so-called global projects with R&D people. (…) It is a good experience and a good stimulation. (…) So far, historically speaking [there are] so many ways, good ways, that we continue. Now it's different but when I joined Mirai Netherlands, I was surprised that people from Nuca only used Word, no Excel and no PowerPoint [laughing]. Always long sentences written there [Dutch reports & presentations] and no pictures, no drawings. (…) And eh… one Dutch director asked me 'please teach us [Dutch] how do we use excel?' [person starts laughing] Probably it's a good influence from Japan to the Dutch people, Mirai Netherlands people, at that time. (…) Always I remember that they would like to know how to be in line with the Japanese way.	When we had just been taken over, it was a very special situation. For many years, Mirai Corporation and Mirai Netherlands had been each other's competitors. You know each other from the patent literature, but you've never had the chance to really take a look in each other's factories. By doing that, you can really learn a lot from each other. All these technical problems you're trying to solve. Everyone is looking for solutions, so it's very interesting to see… 'Gosh, how have you done that?' Because unlike many other cultural matters, technically seen the law of energy is the same in Japan as it is here. So, you can easily see what the technical approach has been and then you see very interesting similarities and differences. (…) and then Mirai came. When they acquired us, Mirai had the expectation that with some effort from Japanese side, we could make a huge step forward in our [plant] performance. Well, actually we did pretty good already. And it turned out to be much more complex than they [the Japanese] expected and they had little to add.

What comes to the fore in the above presented findings is that in this first 'voyage of discovery' both the Dutch and Japanese showed a willingness to adjust and take over best practices from each other. However, the Japanese expats also encountered many differences between the Japanese and Dutch companies, and this willingness to adapt

appeared not to be true for all aspects of organizing and managing work. Mirai Corporation therefore decided not to integrate Mirai Netherlands immediately into the Japanese organizational and managerial structure but instead to keep it somewhat independent. According to the Dutch managers, this was a well thought through decision of the headquarter: they had seen with different Japanese takeovers that the immediate integration of acquired foreign companies did not pay off as expected. In the years that followed, Mirai Netherlands could therefore continue its business more or less as an independent company.

From a political perspective, the collaboration between the Japanese and Dutch companies seems an interesting case. On the one hand, mutual interests and interdependency characterized the acquisition. Mirai Netherlands was dependent on its Japanese mother for enlarging production capacity, while the latter greatly relied on Mirai Netherlands for reinvigorating its Japanese technology division, for instance by taking over technology and using Mirai Netherlands' sales channels for selling Japanese products to European customers. On the other hand, Mirai Netherlands also seemed to have obtained a special status within Mirai Corporation. Although they were the acquired company, and therefore inferior, they appeared to be superior in terms of technological know-how, providing them with a source of expert/intellectual power. Furthermore, sine Mirai Corporation decided to keep the Dutch management team in place and not to integrate Mirai Netherlands into the Mirai structure, this provided Mirai Netherlands a special status in the Japanese company hierarchy. But how is this ten years later? In order to find this out I will now turn to how the collaboration proceeds almost a decade later.

Ten years later

The start of the 21st century was a new beginning in Mirai's history. Besides the acquisition of Mirai Netherlands and several other mergers, acquisitions and joint ventures, Mirai rebuilt its corporate brand and underwent a number of structural and managerial reforms. One of these reforms was the adoption of a holding company structure in 2005. In this process the Japanese technology part of Mirai, became a separate subsidiary, which was called *Mirai Solutions Japan* (MiSo). Together with Mirai Netherlands, MiSo was now one of the main players in the technology division. Though, being appointed 'core company' of the division, MiSo kept a slightly higher status than Mirai Netherlands.

The collaboration between Mirai Corporation, MiSo and the Dutch subsidiary cannot be judged simply as going good or bad. Rather the case is more complex and characterized by 'mixed feelings'. Box two provides examples of how the managers of Mirai Technologies talk about the collaboration, both in positive and negative ways. Both Dutch and Japanese employees in Mirai mention that in general, the collaboration has proceeded well over the past ten years. The Dutch managers value that they have received the freedom to act almost as an autonomous entity and could continue working more or less in the same way as they did before the acquisition. The Japanese managers bring up that although collaborating with Dutch managers at Mirai Netherlands is regarded 'challenging' and 'difficult', they enjoy working together with Mirai Netherlands and have learned a lot about Dutch people. But the Japanese also recognize the difficulties in working together with Mirai Netherlands and think that their Dutch colleagues might also have a 'complicated feeling'

Box 2: Talk about collaboration ten years after the acquisition		
	Japanese managers	**Dutch managers**
Positive	… what we [Japanese] tried is to experience, experience, experience and make face-to-face discussion. Of course it's a kind of cost but we liked it. And through the experience over a certain period of time we made a good way.	As a company (…) as Europeans, Westerners, we work relatively independent within the Mirai organization. [And] actually, we were always able to do our own thing and could convince people [in Japan] that we were working on the right things.
Negative	There's some communication gap between Dutch people and Mirai management. We often observe such things. (…) Maybe Mirai management needs to know more about Mirai Netherlands. And also I think Dutch people working at Mirai Netherlands need to have deeper understanding of the way of working of Mirai. So vice versa... mutual understanding and intensive communication is definitely necessary.

'… in my experience, Dutch people don't have the intention to understand Japanese at this moment. (…) They prefer Dutch way.' | Often it's somewhat inimitable [in Japan] and every now and then you [Dutch manager] feel a bit helpless. (…) You do not exactly know why [Japanese] people do certain things. And it's also difficult to anticipate on it.

Up till now, those Japanese have followed their procedures for one hundred percent! And their way of thinking and way of presenting, you name it, minor adjustments. (…) We're Japanese for almost ten years already. We have become a little more experienced, but still you notice that there are clear differences. (…) And that will probably stay the same, even over fifty years. But yes… it clearly has an influence, there is no other way. |

about them. They mention to have great difficulty in convincing Mirai Netherlands to align its business policies and processes with the 'Mirai way'. The Dutch managers often refuse to adjust their business and management style to the rules, regulations, and way of working set by Mirai and therefore, they are seen as not taking the rules and regulations set by the headquarter seriously.

Indeed the Dutch managers were not always positive in their accounts of how the collaboration with Japan proceeds but found it 'difficult to exactly pinpoint where differences form a barrier to good collaboration'. It is brought up that whereas they first had a lot of autonomy in deciding how to run their business, this autonomy has been cut back by the organizational and environmental changes that have recently taken place in the organization. One of the changes is the succession of the CEO of Mirai Corporation, who does not originate from Mirai Technologies. Since this new CEO does not know the characteristics of the business and the company's history in this field, this '… asks for a huge amount of explanation.' A second cause mentioned is 'absolutely the crisis'. This is said to result in an increased need for explanation and a drawback in the trusting relationship between Mirai Netherlands and the headquarter. The Dutch managers furthermore mention that before the financial crisis, they were continuously sold out and performed better than expected. As such, there was some space for deciding their managerial course. This was tolerated in times of prosperity but in times of greater economic insecurity and organizational reforms, this was restricted.

It is also brought up by the Dutch managers that Mirai Corporation makes a clear distinction between mainland and overseas subsidiaries, and Japanese and non-Japanese employees. In dealing with the financial crisis and getting the managerial procedures back on track under a new CEO, this distinction has become more salient, especially when it concerns financial savings. The Dutch managers generally feel that they are not approached as members of Mirai Corporation and are not treated equally. In this regard, the collaboration is not always running smoothly: 'communication is difficult and sometimes there are strong disagreements.' One Dutch manager brings up the following:

'Our Japanese colleagues do not always make it easy for us, I think. (…) Of course it's the inequality in the relationship… and maybe also our behaviour.' Other examples of cultural identity talk about the Japanese in times of organizational uncertainty and change are provided in box three.

Box 3: Cultural identity talk in times of organizational & environmental changes

Dutch managers

There are Japanese who really [with fist hitting the table] continue to approach us as the acquired company! And so, they position themselves as uh… we are the instructing, questioning and judging party. (…) What I find the most difficult thing is and which really annoys me is that the Japanese don't approach us as a member of Mirai. That can really make me mad… I am an employee of Mirai, end of discussion! (…) While the Japanese colleagues often admit that we aren't Mirai. It's like they are Mirai and we aren't. That is one of the most difficult things of the way the Japanese collaborate with us.

The only thing that annoys me sometimes is… I don't want to talk about 'übermenschen' and 'untermenschen' but … a Japanese feels … that… well, I will never become Japanese. And actually I don't know if that annoys me or not.

There are many Japanese who have the idea that they are quality people, in relation to the rest of the world. (…) [And] that has a lot to do with the fact that they live on an island.

It's careful manoeuvring for them. On the one hand they want to save costs and then, they don't say it like that but you do feel it, there is Japan and not Japan… So it's easier for them to fire people outside Japan.

Towards a global integrated way of working: exchanging best practices & valuing differences?

In order to transform the company back into an entity that yields profit, Mirai Corporation decided to restructure its business divisions in 2008. Although Mirai Technologies had generally performed well, the CEO also asked for organizational reforms in this division: in the future, MiSo and Mirai Netherlands should work more closely together and to realize this, an appropriate management structure had to be designed. For this purpose, an organizational change project set off. As part of this organizational change process, the CEO of Mirai Netherlands was appointed general manager (GM) of the entire division and since MiSo was the core company in this division, he also became the CEO of MiSo. This is regarded a very unusual decision by the board of Mirai Corporation, forming a landmark in the company's history: never before had a non-Japanese person been appointed such a high position in the organization.

According to the GM himself, what Mirai wanted to signal to the outside world by appointing him as GM of the division is that '... they [the Japanese] want to become more global'. He continued: 'so, they are very proud that a Westerner is their boss.' According to the GM 'the cross-cultural nature of Mirai Technologies may serve as a unique and sustainable distinctive competency in competing effectively in an ever-changing international business context.' And by globalizing the management approach, cultural integration and seeking synergy, all business activities should become more efficient. He furthermore argued that the employees '… have to appreciate the [cultural] diversity (…) and [that] working together will bring the appreciation for our differences and the realization that together we are stronger and create a competitive advantage.' Though, recognizing the importance of gaining support for this new way of working, the GM set-up a Japanese-Dutch project team that should design the integration plans. With this measure, the Dutch GM intended to anticipate on the Japanese way of working and to achieve support for the foreseen organizational changes.

GM: Because we want to integrate... we purposively said that well… you need a mixed team of Japanese and Dutch people, that talk through that [the organizational changes] beforehand. The aim is actually clear, we sent that with them [the team]. But now go and check what people think of it and how we can adjust that. And then, come to a decision because now it is really sliding the Japanese and Dutch culture into each other.

Although there were some critical voices, the managers at Mirai Netherlands were generally positive about the upcoming integration. Often being frustrated about how the collaboration with Japan proceeded, they hoped that with the organizational changes the relation with Japan would improve. Especially in fields like production, R&D, and purchasing and logistics they hoped that there would now be a more serious search for establishing synergies. And although they thought that the organizational changes implied that Mirai Netherlands would become more Japanese, they hoped that, together with their colleagues at MiSo, they could come to a global management approach.

When I talked with the managers at MiSo, they appeared to have a slightly different look at the organizational changes that were taking place. They were rather sceptical about the integration project, and the Dutch and Japanese companies working more closely together. One of the Japanese managers brings up not to understand why the headquarter has made the decision to integrate the two companies. Besides this, they also mention that the Dutch GM did not clearly communicate the purpose of the integration project. This message should have been brought with enthusiasm and passion in order to make the integration successful. The Japanese managers also expressed their concerns about whether it is possible to completely integrate with Mirai Netherlands, and implement the organizational changes deeper into the organization at all. Hence, although the Dutch managers were generally optimistic about the upcoming organizational changes, their Japanese colleagues were rather skeptical. An overview of examples on how the Japanese and Dutch managers talked about the integration project is provided in box four. I will now continue with discussing the encountered differences concerning meeting styles and decision-making processes, as encountered in the integration project, in more detail.

Box 4: Talk about the integration project	
Japanese managers	**Dutch managers**
Why is Mirai bringing us together now? It's happy for Dutch people, but [for us] unfortunately… I don't think so [person starts laughing].	… the first years we talked a lot about each other's processes (…) We really tried to find synergies by so-called Global projects. But at a certain moment (…) it was abolished. (…) Actually, this has resulted that, in all facets but especially concerning the technology side, I think that we are now more distant than 4/5 years ago.
The objective and goal of our way of working should be shown and eh (…) From my point of view, a kind of eh power… farming. In other words, enthusiasm or passion. These kind of things. It's very important from the word of the top management. (…) We want to do this. Like Ghosn-san… Carlos Ghosn. He's very powerful. I don't know if he's successful, but he's very powerful. (…) So, in business way, more business way.	I clearly think that that [the collaboration] should improve. In the organizational change process, we try to integrate the two management teams and I see it as a challenge (…) to make a change in that.
… we expect one organization… even when it is virtual, how to communicate? How to understand each other? Before understanding each other, they [Japanese employees] are expected to experience similarly to us. First is [to] understand the difference. They didn't do that. (…) . But what we experienced is probably what they will experience from now. But barrier is very high. And eh... How to do that? That is my so-called headache.	If we are going to design the new organization, you can… Japan and the Netherlands… integrate things a little more and bring more people together on substantive issues. That will also have an effect. Also with short-term exchanges. Exchange experts on substantive topics (…) So. I hope that this new organization can contribute to that. Searching for synergy possibilities, best practices, just exchange more people.

Encountered differences in the integration team

As the integration team started its activities, the Dutch and Japanese managers mentioned that the collaboration did not proceed as expected. The Dutch managers bring up that the Japanese team members did not actively take part in the project, as they did not express their opinions and visions openly during team meetings. The Japanese managers bring up that despite the fact that the GM tried to anticipate on the Japanese way of decision-making by setting up the project team, they were not very happy with how things proceeded. Their main complaint was that the timeframe was too short and that the Dutch team members were too fast in taking decisions. Especially the differences in meeting styles and decision-making practices were brought up in the conversations I had with the managers. I will now continue with discussing Dutch and Japanese managers' identity talk in this regard.

Meeting and discussion styles

The Japanese managers mention that the style of meetings, the timing of discussions and also the process of consensus seeking is different with the Dutch managers. They have noticed that the Dutch managers talk a lot during meetings; they freely express their opinions, even when the topic is not their specialty. One Japanese manager brings up that if the topic of discussion is not their field of specialty, Japanese people generally refrain from participating in a discussion. The Japanese managers prefer to go through the process of discussion and consensus-seeking before a meeting and therefore, discussing the topic of concern again during the meeting is not considered a contribution to the decision-making process. This pre-discussion process has also been called *nemawashi*. One Japanese manager mentions that the Dutch colleagues sometimes also do a kind of

'nemawashi': '… there [at Mirai Netherlands] is some attitude towards nemawashi. I sometimes see Dutch people do nemawashi. That's comfortable, even to me.'

The Japanese managers realize that they should speak out more during team meetings. According to one Japanese manager: 'I understand Japanese should speak out during the meeting, including me. [But] I don't think it's easy.' The Japanese mention that they do not like to actively participate in meetings because they generally prefer to avoid risks and prevent loss of face. In fact, as a Japanese, you should only speak out during meetings when the topic is your own speciality and even then, only when it is an important remark or question that you think really needs to be made. As one manager explains, only when the topic is a '… big issue, I think he [Japanese person] talks. But small issue which is not valuable for decision, we [Japanese] don't say anything.'

One Dutch manager explains that the Japanese way of having meetings and discussions '… remains difficult for us, Dutch people, to deal with. Because you get the feeling that they [Japanese managers] have no contribution because they say nothing and that's a pity of course.' The managers at Mirai Netherlands have recognized that in Japan, 'a little more is done backstage': in more informal settings, the Japanese often work to achieve consensus and as such, 'the direction is already mostly decided before the meeting'. In this regard, the formal meeting '… is more a formalization of the direction'. The Dutch managers bring up that these pre-discussions are a necessity because the Japanese are not capable to go through this process during a meeting in which English is spoken. They also mention that the Japanese may not be willing to speak out openly, but clearly await their superior's opinion, because of the Japanese tendency to avoid the risk of losing face. In contrast to the Dutch who have no hesitations to speak out freely regardless to whether their superior is present or not, the Japanese are said to clearly await their boss's opinion with which they agree accordingly. In a Japanese context, arguing against a superior's opinion would be disrespectful. In Dutch meetings, on the contrary, everyone present usually speaks out. This is related to Dutch culture, in which hierarchy would be less important and people tend to speak out more openly about all sorts of issues.

Box 5: Cultural identity talk in relation to meeting styles and processes of discussion and consensus-seeking	
Japanese managers about Japanese	**Dutch managers about Dutch**
In Japan, we talk sometimes these issues with people concerned. So, we don't need to explain the background (…) [because] before the meeting we had a small discussion... a small talk sometimes. So, we know the background each other already. (…) So, main direction is already done before meeting by people concerned.	We [Dutch] like to enter a discussion and dialogue. A Japanese would not do that as easily. (…) …also in official meetings… to just have a nice open discussion. (…) We quickly open the discussion during meetings. That's part of an exploration of opinions and so on. Well, from the Japanese side, people don't like to do that in public.
Our country… Japanese don't talk if the topic is not their role. This is his [someone else's] subject, so outside people don't say something about it.	… we continuously look at the bigger picture, instead of the boss. (…)We say, it's all good and dandy, he [the boss] has the last word (…) but I have an autonomous responsibility… and I will confront him with that. (…) That's something that I don't experience with my Japanese colleagues… that they do that in public.
Japanese people tend to hesitate a little in expressing their opinion. They don't like to take a big risk by speaking out. Have you noticed some interesting phenomena about Japanese people? They don't like to take risks. (…) Even if they have hundred percent of confidence, Japanese people hesitate to speak out.	… sometimes they [the Japanese] look at us with astonishment… because we [Dutch] do it in a typical non-Japanese way.
Japanese managers about Dutch	**Dutch managers about Japanese**
I think it's culture because in the meeting, every people… if they [Dutch people] have a question in their mind, they speak out directly to presenter. So, that creates… all questions concerned are cleared. (…) Even a small question… if he [Dutch person] has a small question, he speaks or talks this question. But in Japanese, in my experience, a lot of people don't do that. (…) It's cultural difference I think.	… they have more difficulty in expressing their opinion when their boss is present. They clearly await until he has said something.
In the meeting Dutch people think talking… make questions are thought contribution in the meeting. But in Japan we don't think uh... contribution by making question or giving opinion in the meeting.	… the Japanese obviously wait to see which way the wind blows…. [and] then they withdraw themselves (…) and then, eventually, there's a group position.
	So, they carefully spend a lot of time on preparing decisions, trying to reach consensus. That's more than we Dutch people do. (…) In Japan that's possible because people spend so much time at the office. But it's again in the genes, because that's how they think it should be done. But that's clearly another cultural difference.
They [Dutch managers] may spend some time to prepare for interview or meeting beforehand… to have smooth communication. And also they, some Dutch people respect the Japanese way. So, they take *nemawashi* procedure. (…) That is indirect way of doing things. But they know that some Japanese people prefer nemawashi to prepare complicated negotiation or persuading.	… brainstorming, entrepreneurial thinking… I rarely see that with the Japanese. That's what I find the biggest difference. Just to dialectically develop a line of thinking with each other. (…)The Japanese are kind of handicapped in that. (…) Just to express what you think and start a dialogue.

According to the Dutch managers, the way meetings proceed in the Netherlands would be unthinkable in a Japanese context. One Dutch manager explains that Dutch people are also familiar with a form of nemawashi: 'We also put things to steep. It's actually quite the same.' However, as another person explains, this is only because of necessity: '[with the Japanese] you will need to put things to steep. And give the Japanese time to put their hands around it. (…) If you want a decision is made on something, you will need to make sure that you've discussed it with everyone beforehand.' Box five provides examples of how the Japanese and Dutch managers talk about themselves and each other in this regard.

Differences in language, communication and ways of thinking

The Dutch managers furthermore mention that the Japanese have difficulty in following and coping with the Dutch listening style and their critical attitude during meetings and discussions. They mention that due to language difficulties, the Japanese managers might not be able to follow and actively take part in discussions that are held in English. Within MiSo, people still prefer to communicate in Japanese since only few Japanese people can speak English and all communication with the headquarter is still in Japanese. More generally, the level of English in Mirai is said to be 'disappointingly low' and, according to one Dutch manager, this would 'form a serious handicap to real globalization'.

One of the reasons given by the Japanese for why they do not speak out during meetings is 'mainly because of English capability' and therefore, during meetings, '… 90 percent of conversation (…) is done by Dutch people, only 5 percent from Japanese.' More, generally, the Japanese admit that their 'poor capability of speaking English language' forms a barrier to collaborating effectively with the Dutch and forms 'one of the hindrances or barriers to overcome cultural gaps'. In relation to this, the Japanese managers also emphasize that the 'thinking way is quite different': whereas Dutch people always try to come to a most logical decision, the Japanese would strive to reach a most harmonious decision. According to one Japanese manager '… Japanese people … many people have different opinion, but always try to find out the consensus. In contrast, 'Dutch logic is uh… not so flexible.' It is furthermore brought up by one Japanese manager that regarding the communication about the motivation and goal of the integration project, they have encountered a paradox that when communication is most important, the Dutch tend to forget it. Hence, this person hints at a situation where the cultural characteristics of Dutch people do not seem to apply. An overview of instances of cultural identity talk concerning language and ways of thinking is provided in box six.

Decision-making processes
The Dutch managers also experience differences concerning the process of decision-making. Often they encounter that whereas the topic of concern has been talked through during a meeting and the Dutch managers are willing to take a decision, the Japanese are not. This is said to be because they take individual responsibility for decisions while the Japanese are only willing to take responsibility as a group. Furthermore, one Dutch manager brings up an occasion, in which Japanese and Dutch employees had to come to a decision concerning the integration project and one Japanese manager reformulated his opinion, after consultation with his superior. Though recognizing the

Box 6: Cultural identity talk concerning language, communication and ways of thinking	
Japanese managers about Japanese	**Dutch managers about Dutch**
In order to make consensus, Japanese logic can sometimes be very flexible, in order to reach optimal consensus, which makes the implementation of the decision smooth and effective'	We are anti-thinkers… Many Dutch people in this company are anti-thinkers. So, [during a meeting] someone gives an opinion and then you say 'yes but…' or you overrule him in the communication. In the dialogue with us, that's just very difficult for the Japanese.
Peace in mind. Avoid strong conflict. We're a small island. Kind of tender to people. Respect elder people or superior people. And don't stand on ceremony. (…) Do you know *wa*? (…) Harmony is the relationship with the rest. That's a very important keyword in the structure of Japanese people.	
Japanese managers about Dutch	**Dutch managers about Japanese**
… there are some similarities between American people and Dutch people and the keyword here is logic. When you are preparing a theme… [this is] with logical sentences, logical analysis and logical observations.	And what plays a huge role is language. Explaining of … and particularly in details and word choices … How you say things. That's … that remains… Mirai owns us now for ten years already and it [language] still plays a role!
The Dutch, especially… it's my understanding. Dutch people sometimes take the individual thinking way. But on the other hand, the Japanese sometimes dislike such a thinking way [person starts laughing]. Respect for the group and other people's thinking way.	… we listen actively, that's difficult for them… in the dialogue. I also experience that. (…) When, in a conversation with a Japanese colleague, I ask 'how is it with this? And how is it with that? Can you explain that once more? I don't understand that completely… Can you come back to that once again?' Then I only want to understand… but they feel that they are steered.
Dutch people like speaking… communication. It's one of the most important things you are thinking of. And now, probably you are forgetting it. I say a little directly but honestly speaking that's most important to both of us. Now at the plant we must be in the same community. That's what the GM should be thinking.	

difference in the importance of hierarchy in Japanese superior-subordinate relations, some Dutch managers do perceive the Japanese way to deal with hierarchy in the decision-making process as 'boss pleasing' and actually hindering optimal decision-making. From a Dutch perspective, 'sometimes you just need to take a stand and get on'. In the Netherlands, this behaviour is not perceived as being disrespectful but instead, as making an active contribution to the decision-making process.

The Japanese managers characterize Japanese decision-making as being more 'group oriented', aimed at reaching 'full consensus'. In contract, the Dutch style is said to be more 'individualistic', aimed at reaching 'democratic consensus'. Regarding the outcome of the integration project, the Japanese managers mention that the Dutch project leader made a mistake in spreading the final integration document before a final decision had been achieved. They mention that it had been better if the document had been formally discussed before spreading it further into the organization. An overview of instances of cultural identity talk in relation to decision-making processes is provided in box seven.

Box 7: Cultural identity talk in relation to decision-making processes	
Japanese managers about Japanese	**Dutch managers about Dutch**
In case of Japan, in order to make consensus, we try to get agreement as much as possible… as much as possible. One hundred percent, quite happy. But so… 90 percent, 85 percent that I do to get agreement. But in case of Dutch, I don't know exactly, but maybe more than half… 51 percent. (…) This is consensus… I don't know exactly.	We [Dutch] take individual responsibility much faster. In Japan, people don't take responsibility as an individual but the group does. That's a clear difference. … when you are with only Dutch… it just goes faster. Everyone has his or her say and then someone says, 'this is how we will do it'. And that's not always better.
Japanese managers about Dutch	**Dutch managers about Japanese**
Sometimes you [Dutch] publish or send an email, announcing something official. Unfortunately, which was not determined officially [person starts laughing]. We are now deeply involved in a consolidation project, which was lead by a Dutch manager. From Japanese side, his way of doing has some problems. So, I and my colleagues should tell him something about the Mirai way of doing something.	'actually, every time it comes down to the same [thing]… that during a meeting no response is given or no decision is been taken. They wait to see which way the cat jumps.' Then I think damn boy… you shouldn't have done that! You're disturbing a process in such a way of which I think… By not committing autonomously but trying to please the boss, you're disturbing the process so badly that actually the Dutch organization suffers from it. (…)Then I think 'Jeez guys… did you let yourself get taken again?' (…) Then you see that the Japanese please their boss more than we do.

Power and politics in Mirai Technologies: The core company issue

Both the Japanese and Dutch managers have expressed their frustrations about how the integration project proceeded. The Japanese disapprove of the way their Dutch colleagues are working; not only in the integration project but also more generally they feel that the Dutch managers are imposing their way of working upon the division. Mirai Netherlands often diverges from the rules and regulations of Mirai Corporation, and legitimizes this by emphasizing their strong strategic position and international orientation. Besides, in contrast to the Japanese managers who have a system of job-rotation, the Dutch managers often work in one area of specialization. As such they are often more knowledgeable than their Japanese colleagues, which provides them with a source of intellectual/expert power.

The Dutch managers acknowledge that they do not easily change their way of working towards a more Japanese one, and that when in the collaboration the Japanese and Dutch 'systems' or 'ways of working' clash, the Dutch managers are inclined to take over control and proceed in their own way. A major issue that came to the fore in the integration team is the discussion about which company should be the core company of the division: MiSo or Mirai Netherlands? Mirai Corporation appointed one company in each division as core company. This company is responsible for the overall management of the division, and all the communication with the headquarter, making this a very strategic position. Traditionally MiSo has been the core company of Mirai Technologies but during the organizational changes, discussions have started to assign Mirai Netherlands as core company. This argument was substantiated by the facts that in terms of size and turnover, Mirai Netherlands is superior to MiSo. It is furthermore mentioned by the Dutch managers that whereas they 'don't know the strategy of Mirai for internationalization', they view themselves as more global than Mirai Corporation. Therefore, it was logical to appoint

Mirai Netherlands as core company, increasing the power and influence of the Dutch managers in determining the managerial course of Mirai Technologies.

The Japanese managers experience the organizational changes as affecting their position within Mirai Corporation. They wonder if the organizational changes are a veiled 'reverse takeover' and they are gradually turning into a Dutch company. The GM also brings this up: 'there is also a lot of insecurity in that [the organizational change process]… like what is going to be my role, my function? They [the Japanese] have the feeling it's some kind of reverse takeover.' According to the GM, the many organizational changes result in feelings of insecurity 'for a number of Japanese, because we [Mirai Netherlands] are so big compared to MiSo… On the one hand, they acknowledge that, but on the other hand you have the Japanese pride. We [Japanese] did acquire you [Dutch].' A bit laconic, the GM puts this aside as being an inherent part of the process of becoming a larger company.

To great disappointment of the Dutch managers, the CEO of Mirai Corporation rejected the proposal for changing the division's core company into Mirai Netherlands. This was perceived as a huge change in Mirai's globalization strategy: whereas the appointment of a Dutch GM was generally viewed as a sign that Mirai wanted to become more global, they now think that their mother company is still a very Japanese company and regret that 'Mirai does not try to really become global'. Legitimating and reaffirming their position, the Japanese managers do not object to the CEO's decision. They now argue Mirai Corporation wants to stay a Japanese company, and therefore Mirai Netherlands should respect the rules, regulations and way of working of Mirai. Since this is clear CEO-policy, there is no room for discussion or debate about this. Furthermore, being part of Mirai Corporation, it was MiSo who acquired Mirai Netherlands and therefore, the Dutch managers should adjust their way of working and not the other way around. This would make it much easier to get things done in Japan. Examples of how the managers talk about the political struggle between the two companies are provided in box eight.

**CULTURAL ASPECTS OF CROSS-BORDER COOPERATION:
Cometences and Capabilities**

Box 8: Talk about processes of power and organizational politics	
Japanese managers about Japanese	**Dutch managers about Dutch**
Sometimes Japanese people have the feeling that Dutch people push their thinking way to Japanese colleagues. Because… I understand Dutch procedure is same as United States and European countries thinking way. So, maybe Dutch people understand this is the international standard… 'why don't you [Japanese] follow international standard'?	… sometimes we believe that we have all the wisdom of the world…and get on with it. (…) And yes, we should really sincerely, I should almost say, be open towards the fact that people can think differently. That they have a different way of working (…) And you should take that into account.
Mirai Netherlands operates in a big business and we [MiSo] are quite small (…) But in our [MiSo] understanding, we are, we belong to Mirai Corporation. So that is the big [company]… bigger than Mirai Netherlands.	I think that, deep in their hearts, they respect our organization. If you simply take a look at the statistics. We started in the business about the same time. Mirai Netherlands is just ten times as large as MiSo. Those are the plain statistics that a Japanese should see too.
In my understanding Mirai Corporation still wants Japanese centered management. I don't make objections on that policy… we can't change Mirai Corporation to American company or Dutch company. So we have to accept that.	I am very open towards cultural differences, other views… But I must say that, and that is a handicap of myself, I frown upon imposed cultural differences. I'm very stubborn in that.
Japanese managers about Dutch	**Dutch managers about Japanese**
Probably the case you [Dutch] are now experiencing is very similar to the case we [Japanese] experienced in year 2001. Very similar, but the other way around. I am recognizing myself.	Real differences you see is that we think in functional lines (…) Mirai thinks more in legal entities. We view these legal entities as completely insignificant.
In Mirai Netherlands, you have big power (…). Of course we [Mirai Netherlands] have a long history of successful result. I understand we [Mirai Netherlands] have … big identity, I expect that … I understand it seems difficult for them [Mirai Netherlands] to change [person starts laughing].	The legal entities… we see them as subordinate. While that is currently different… In Japan that is… they view these legal entities as very important. While we think here that these legal entities are more a vehicle you need in order to do business… but that doesn't influence your management structure. And we try to get that integrated structure….
First the planning and control manager should receive this and check everything and see if this is good to transfer to all plant people, yes or no. (…) We must discuss this together like that. In my consideration that's better, instead of directly sending documents to many people. Normally we don't do that. (…) So, our way of working… this is very conceptual management [person is laughing again]. Japanese people like a more practical message. Including myself.	… Mirai does say that they really like to become a Western company… also does a few things. But it's terribly hard for them because (…) it's a very Japanese company though. With Japanese ways and a different way of thinking.
… misunderstanding and kind of shock of the culture. This is Dutch way and are we going to be a Dutch company?	

Discussion & Conclusion

In this paper, I illustrated how Japanese and Dutch managers of the technology division of Mirai Corporation make sense of their transnational collaboration and discursively construct and enact their own and others' cultural identities. The study sheds light on cultural identity processes in a period of economic insecurity, managerial changes and unstable power relations. The findings illustrate that the Japanese and Dutch managers use the culture discourse to create interdependency but also to signify difference from each other. On the one hand, the GM tries to legitimate the integration plans by

emphasizing the distinct characteristic of Mirai Technologies, depicting the cultural diverse nature of their division as a unique and sustainable distinctive competency. As such, the GM tries to create interdependency by emphasizing difference. On the other hand, the culture discourse is used to create a boundary between the self and the other in the context of organizational integration. The relation between MiSo and Mirai Netherlands is characterized by political ambiguity, which has become particularly salient in the integration project. The Japanese feel the upcoming organizational changes threaten their position and actively draw on differences in communication, meeting and management styles, in order to explain their hesitations regarding implementation. Furthermore, drawing on language difficulties and differences in meeting styles and decision-making processes, the Japanese have been reluctant in actively taking part in discussions on the integration plans. Likewise, the Dutch managers fear that the organizational changes will imply they have to conform more to the Japanese way of working. Here, MiSo is argued to use its status as core company and access to the board and supporting staff of Mirai Corporation to defend their position and to convince them to adjust their way of working to a more Japanese one. By not adjusting their meeting and decision-making processes, they prevent the Japanese from actively taking part in the discussions, hence providing themselves room to direct the course of the integration plans.

To summarize the research contribution of this paper, the study illustrates the ways in which cultural identities and boundaries are discursively constructed and enacted in order to serve social struggles over power, autonomy and resistance. In this case, discourses on culture are actively used by organizational members to direct the course of the upcoming organizational changes. Hence, an awareness of the organizational and political context in which collaborations take place, is essential for understanding how organizational actors make sense of their transnational work experiences. The findings presented in this study complement and further developing the insights reached by other interpretivist scholars (e.g. Ailon-Souday & Kunda, 2003; Barinaga, 2007; Brannen & Salk, 2000; Vaara, 2000; 2003; Ybema & Byun, 2009). The study is however limited by the fact that it focused on a single case of transnational collaboration which is not characteristic of all transnational acquisitions or management teams. One should thus not expect to encounter similar findings in other times and places. These limitations notwithstanding, the study does contribute to theory development by highlighting basic social processes and mechanisms in working and interacting across boundaries. Further research is necessary to investigate how culture discourses are used by organizational actors in different settings and whether the salience and importance of cultural identities and boundaries in teams is indeed dependent on the level of political unrest or uncertainty in organizations. For this purpose, more longitudinal studies are regarded necessary. The research agenda can furthermore be strengthened by studies of transnationally operating teams at different organizational layers, such as senior and middle managers, or people working at production or R&D departments.

To conclude, this paper has illustrated the relevance of discursive processes of cultural identity construction in the context of post-acquisition integration. I started with a citation from a Japanese manager, who argued that working in such a setting is 'impressive', 'difficult', and 'challenging'. In a similar vein, researching how organizational actors make sense of their transnational work experiences by uncovering the underlying processes of social identity formation and intergroup relations appears to meet the same criteria. An interpretive approach to cultural identity with a focus on the politicized nature of transnational and intercultural relations can offer new ways of viewing these relations.

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